

ANNUAL STATEMENT

OF THE

Fidelity National Title

Insurance Company

of **Santa Barbara**

in the state of **California**

TO THE

Insurance Department

OF THE

STATE OF

FOR THE YEAR ENDED
December 31, 2007

TITLE

2007



51586200720100100

ANNUAL STATEMENT

For the Year Ended December 31, 2007
OF THE CONDITION AND AFFAIRS OF THE

Fidelity National Title Insurance Company

NAIC Group Code 0670 0670 NAIC Company Code 51586 Employer's ID Number 86-0417131
(Current Period) (Prior Period)

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

Country of Domicile US

Incorporated/Organized: October 6, 1981 Commenced Business: March 29, 1982

Statutory Home Office: 4050 Calle Real Santa Barbara, CA 93110
(Street and Number) (City, State and Zip Code)

Main Administrative Office: 601 Riverside Avenue Jacksonville, FL 32204 904-854-8100
(Street and Number) (City, State and Zip Code) (Area Code)(Telephone Number)

Mail Address: 601 Riverside Avenue Jacksonville, FL 32204
(Street and Number) (City, State and Zip Code)

Primary Location of Books and Records: 4050 Calle Real Santa Barbara, CA 93110 805-696-7000
(Street and Number) (City, State and Zip Code) (Area Code)(Telephone Number)

Internet Website Address: www.fnf.com

Statutory Statement Contact: Jan R. Wilson 904-854-8100
(Name) (Area Code)(Telephone Number)(Extension)
jan.wilson@fnf.com 904-357-1066
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title
1. <u>Raymond Randall Quirk</u>	<u>President & Chief Operating Officer</u>
2. <u>Todd Chliveny Johnson</u>	<u>SVP & Corporate Secretary</u>
3. <u>Anthony John Park</u>	<u>EVP & Chief Financial Officer</u>

Vice-Presidents

Name	Title	Name	Title
<u>Christopher (NMN) Abbinante</u>	<u>President Eastern Operations</u>	<u>Cynthia Lynn Fried #</u>	<u>President & County Manager</u>
<u>John Dale Hastie</u>	<u>President & County Manager</u>	<u>Roger Scott Jewkes</u>	<u>President Western Operations</u>
<u>Erika (NMN) Meinhardt</u>	<u>President National Agency Operations</u>	<u>Mary Lou Paulk #</u>	<u>President & County Manager</u>
<u>Alan Lynn Stinson #</u>	<u>CEO</u>	<u>Paul Douglas DeFalco</u>	<u>EVP</u>
<u>Thomas Edgar Evans, Jr</u>	<u>EVP</u>	<u>Patrick Gerard Farenga</u>	<u>SVP & Treasurer</u>
<u>Joseph William Grealish</u>	<u>EVP</u>	<u>Maxwell Edward Hanney</u>	<u>EVP</u>
<u>James Russell Herleman</u>	<u>EVP</u>	<u>James Harlow Kay Jr</u>	<u>EVP</u>
<u>Kevin Donald Lutes</u>	<u>EVP</u>	<u>Paul Ignatius Perez #</u>	<u>EVP</u>
<u>Peter Tadeusz Sadowski</u>	<u>EVP</u>	<u>Darryl James Tyson</u>	<u>EVP</u>
<u>Gary Robert Urquhart</u>	<u>EVP</u>	<u>Charles Hyman Wimer</u>	<u>EVP</u>

DIRECTORS OR TRUSTEES

<u>Anthony John Park</u>	<u>Raymond Randall Quirk</u>	<u>Alan Lynn Stinson #</u>	

State of Florida
County of Duval ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

<u>Raymond Randall Quirk</u> (Signature) <u>Raymond Randall Quirk</u> (Printed Name) 1. President & Chief Operating Officer (Title)	<u>Todd Chliveny Johnson</u> (Signature) <u>Todd Chliveny Johnson</u> (Printed Name) 2. SVP & Corporate Secretary (Title)	<u>Anthony John Park</u> (Signature) <u>Anthony John Park</u> (Printed Name) 3. EVP & Chief Financial Officer (Title)
-------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------

Subscribed and sworn to before me this _____ day of _____, 2008

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

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	670,229,900		670,229,900	684,721,446
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	35,136,568		35,136,568	59,588,671
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	1,623,843	5,819	1,618,024	1,713,947
3.2 Other than first liens	947,670	947,670		
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)	905,058	239,950	665,108	365,908
5. Cash (\$ 9,369,228, Schedule E-Part 1), cash equivalents (\$ 28,253,084, Schedule E-Part 2) and short-term investments (\$ 27,840,830, Schedule DA)	65,463,142		65,463,142	61,790,843
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets (Schedule BA)	36,043,507	3,574,904	32,468,603	34,325,998
8. Receivables for securities	723,146		723,146	4,895,827
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	811,072,834	4,768,343	806,304,491	847,402,640
11. Title plants less \$ 0 charged off (for Title insurers only)	24,600,939	6,687,539	17,913,400	17,913,400
12. Investment income due and accrued	8,558,527		8,558,527	9,085,095
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	39,817,266	26,390,085	13,427,181	14,766,593
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon				
16.2 Net deferred tax asset	39,108,628	31,496,443	7,612,185	8,277,373
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software	14		14	17,270
19. Furniture and equipment, including health care delivery assets (\$ 0)	33,734	33,734		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	6,973,585		6,973,585	3,723,434
22. Health care (\$ 0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	44,477,165	44,477,165		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	974,642,692	113,853,309	860,789,383	901,185,805
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	974,642,692	113,853,309	860,789,383	901,185,805

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301. Recoupment Receivable	19,349,699	19,349,699		
2302. Prepaid Expense and Other	9,518,212	9,518,212		
2303. Goodwill	15,609,254	15,609,254		
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	44,477,165	44,477,165		

LIABILITIES, SURPLUS AND OTHER FUNDS	1 Current Year	2 Prior Year
1. Known claims reserve (Part 2B, Line 3, Col. 4)	101,336,064	106,059,423
2. Statutory premium reserve (Part 1B, Line 2.5, Col. 1)	424,888,225	413,184,437
3. Aggregate of other reserves required by law		
4. Supplemental reserve (Part 2B, Col. 4, Line 12)		
5. Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers		
6. Other expenses (excluding taxes, licenses and fees)	35,328,106	41,760,268
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	11,015,295	6,377,490
8.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	19,634,148	30,301,897
8.2 Net deferred tax liability		
9. Borrowed money \$ 0 and interest thereon \$ 0		
10. Dividends declared and unpaid		
11. Premiums and other consideration received in advance		
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	202,655	177,034
15. Provision for unauthorized reinsurance		
16. Net adjustment in assets and liabilities due to foreign exchange rates		
17. Drafts outstanding		
18. Payable to parent, subsidiaries and affiliates	423,976	702,147
19. Payable for securities		
20. Aggregate write-ins for other liabilities	30,278,810	28,633,497
21. Total liabilities (Lines 1 through 20)	623,107,279	627,196,193
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	35,826,800	35,826,800
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	141,288,233	141,288,233
28. Unassigned funds (surplus)	60,567,071	96,874,579
29. Less treasury stock, at cost:		
29.1 0 shares common (value included in Line 23 \$ 0)		
29.2 0 shares preferred (value included in Line 24 \$ 0)		
30. Surplus as regards policyholders (Lines 22 to 28 less 29)(Page 4, Line 32)	237,682,104	273,989,612
31. Totals (Page 2, Line 26, Col. 3)	860,789,383	901,185,805

DETAILS OF WRITE-INS		
0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 3 from overflow page		
0399. Totals (Lines 0301 through 0303 plus 0398) (Line 3 above)		
2001. Reinsurance Ceded Payable	2,025,726	2,341
2002. Payable under securities lending agreements	28,253,084	28,631,156
2003.		
2098. Summary of remaining write-ins for Line 20 from overflow page		
2099. Totals (Lines 2001 through 2003 plus 2098) (Line 20 above)	30,278,810	28,633,497
2201.		
2202.		
2203.		
2298. Summary of remaining write-ins for Line 22 from overflow page		
2299. Totals (Lines 2201 through 2203 plus 2298) (Line 22 above)		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		

OPERATIONS AND INVESTMENT EXHIBIT STATEMENT OF INCOME		1	2
		Current Year	Prior Year
OPERATING INCOME			
1. Title insurance and related income (Part 1):			
1.1 Title insurance premiums earned (Part 1B, Line 3, Col. 1)		1,257,995,188	1,491,738,711
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)		28,484,038	36,406,128
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)		82,881,386	85,387,065
2. Aggregate write-ins for other operating income			
3. Total Operating Income (Lines 1 through 2)		1,369,360,612	1,613,531,904
DEDUCT:			
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)		105,973,212	70,996,930
5. Operating expenses incurred (Part 3, Line 24, Cols. 4 and 6)		1,221,068,915	1,455,821,345
6. Aggregate write-ins for other operating deductions			
7. Total Operating Deductions		1,327,042,127	1,526,818,275
8. Net operating gain or (loss) (Lines 3 minus 7)		42,318,485	86,713,629
INVESTMENT INCOME			
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)		36,388,258	46,889,960
10. Net realized capital gains (losses) less capital gains tax of \$	1,638,935 (Exhibit of Capital Gains (Losses))	3,043,736	4,073,215
11. Net investment gain (loss) (Lines 9 + 10)		39,431,994	50,963,175
OTHER INCOME			
12. Aggregate write-ins for miscellaneous income or (loss)		(359,416)	
13. Net income after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12)		81,391,063	137,676,804
14. Federal and foreign income taxes incurred		23,293,807	39,369,429
15. Net income (Lines 13 minus 14)		58,097,256	98,307,375
CAPITAL AND SURPLUS ACCOUNT			
16. Surplus as regards policyholders, December 31 prior year (Page 3, Line 30, Column 2)		273,989,612	293,247,411
17. Net income (from Line 15)		58,097,256	98,307,375
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$	709,415	(31,474,186)	(10,391,996)
19. Change in net unrealized foreign exchange capital gain (loss)			
20. Change in net deferred income tax		67,224	944,768
21. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)		16,302,198	7,982,054
22. Change in provision for unauthorized reinsurance (Page 3, Line 15, Cols. 2 minus 1)			
23. Change in supplemental reserves (Page 3, Line 4, Cols. 2 minus 1)			
24. Change in surplus notes			
25. Cumulative effect of changes in accounting principles			
26. Capital Changes:			
26.1 Paid in			
26.2 Transferred from surplus (Stock Dividend)			
26.3 Transferred to surplus			
27. Surplus Adjustments:			
27.1 Paid in			
27.2 Transferred to capital (Stock Dividend)			
27.3 Transferred from capital			
28. Dividends to stockholders		(79,300,000)	(116,100,000)
29. Change in treasury stock (Page 3, Lines (29.1) and (29.2), Cols. 2 minus 1)			
30. Aggregate write-ins for gains and losses in surplus			
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)		(36,307,508)	(19,257,799)
32. Surplus as regards policyholders, December 31 current year (Lines 16 plus 31) (Page 3, Line 30)		237,682,104	273,989,612

DETAILS OF WRITE-INS			
0201.			
0202.			
0203.			
0298. Summary of remaining write-ins for Line 2 from overflow page			
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 2 above)			
0601.			
0602.			
0603.			
0698. Summary of remaining write-ins for Line 6 from overflow page			
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)			
1201. Miscellaneous loss on disposal of fixed assets		(31,098)	
1202. Loss on sale of title plant		(328,318)	
1203.			
1298. Summary of remaining write-ins for Line 12 from overflow page			
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)		(359,416)	
3001.			
3002.			
3003.			
3098. Summary of remaining write-ins for Line 30 from overflow page			
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)			

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,278,365,663	1,521,230,239
2. Net investment income	44,019,177	55,542,792
3. Miscellaneous income	111,006,007	121,793,193
4. Total (Lines 1 through 3)	1,433,390,847	1,698,566,224
5. Benefit and loss related payments	110,696,574	89,253,130
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	1,222,863,282	1,465,939,701
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	35,600,492	38,389,078
10. Total (Lines 5 through 9)	1,369,160,348	1,593,581,909
11. Net cash from operations (Line 4 minus Line 10)	64,230,499	104,984,315
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	577,439,746	231,178,446
12.2 Stocks	241,249,890	187,630,309
12.3 Mortgage loans	979,498	5,087,313
12.4 Real estate		61,278
12.5 Other invested assets	42,096,306	5,598,803
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	4,172,681	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	865,938,121	429,556,149
13. Cost of investments acquired (long-term only):		
13.1 Bonds	569,823,430	235,747,489
13.2 Stocks	210,122,195	170,373,361
13.3 Mortgage loans	569,699	1,100,646
13.4 Real estate	299,200	250,650
13.5 Other invested assets	62,205,946	1,241,540
13.6 Miscellaneous applications		3,914,412
13.7 Total investments acquired (Lines 13.1 to 13.6)	843,020,470	412,628,098
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	22,917,651	16,928,051
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	79,300,000	116,100,000
16.6 Other cash provided (applied)	(4,175,851)	20,561,039
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(83,475,851)	(95,538,961)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	3,672,299	26,373,405
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	61,790,843	35,417,438
19.2 End of year (Line 18 plus Line 19.1)	65,463,142	61,790,843

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

20.0001. Non cash distribution of other invested asset - Line 12.5	16,256,757	
20.0002. Distribution of other invested asset to other invested asset - Line 12.5	24,305,946	
20.0003. Capital contribution to other invested asset - Line 13.5	24,305,946	
20.0004. Stocks acquired through merger - Line 13.2	1,816,672	
20.0005. Stocks disposed through merger - Line 12.2	1,816,672	
20.0006. Other invested asset dissolved - Line 12.5	5,000	

OPERATIONS AND INVESTMENT EXHIBIT

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

	1 Direct Operations	Agency Operations		4 Current Year Total (Cols. 1 + 2 + 3)	5 Prior Year Total
		2 Non-Affiliated Agency Operations	3 Affiliated Agency Operations		
1. Direct premiums written	251,405,363	673,800,566	348,876,279	1,274,082,208	1,519,950,497
2. Escrow and settlement service charges	28,484,038	X X X	X X X	28,484,038	36,406,128
3. Other title fees and service charges (Part 1C, Line 5)	82,881,386	X X X	X X X	82,881,386	85,387,065
4. Totals (Lines 1 + 2 + 3)	362,770,787	673,800,566	348,876,279	1,385,447,632	1,641,743,690

PART 1B - PREMIUMS EARNED EXHIBIT

	1 Current Year	2 Prior Year
1. Title premiums written:		
1.1 Direct (Part 1A, Line 1)	1,274,082,208	1,519,950,497
1.2 Assumed	2,201,548	2,324,908
1.3 Ceded	6,584,780	1,449,882
1.4 Net title premiums written (Lines 1.1 + 1.2 - 1.3)	1,269,698,976	1,520,825,523
2. Statutory premium reserve:		
2.1 Balance at December 31 prior year	413,184,437	384,097,625
2.2 Additions during the current year	62,188,893	73,926,662
2.3 Withdrawals during the current year	50,485,105	44,839,850
2.4 Other adjustments to statutory premium reserves		
2.5 Balance at December 31 current year	424,888,225	413,184,437
3. Net title premiums earned during year (Lines 1.4 - 2.2 + 2.3)	1,257,995,188	1,491,738,711

PART 1C - OTHER TITLE FEES AND SERVICE CHARGES

	1 Current Year	2 Prior Year
1. Title examinations	41,095	131,270
2. Searches and abstracts	23,252,515	25,634,276
3. Surveys		
4. Aggregate write-ins for service charges	59,587,776	59,621,519
5. Totals	82,881,386	85,387,065

DETAILS OF WRITE-INS		
	1 Current Year	2 Prior Year
0401. Intercompany Referral Fees	33,238,187	26,032,062
0402. Other Title Fees and Income	26,349,589	33,589,457
0403.		
0498. Summary of remaining write-ins for Line 4 from overflow page		
0499. Total (Lines 0401 through 0403 plus 0498) (Line 4 above)	59,587,776	59,621,519

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

	1 Direct Operations	Agency Operations		4 Total Current Year (Cols. 1+2+3)	5 Total Prior Year
		2 Non-Affiliated Agency Operations	3 Affiliated Agency Operations		
1. Losses and allocated loss adjustment expenses paid - direct business, less salvage	12,807,898	50,041,059	36,105,029	98,953,986	78,920,596
2. Losses and allocated loss adjustment expenses paid - reinsurance assumed, less salvage					
3. Total (Line 1 plus Line 2)	12,807,898	50,041,059	36,105,029	98,953,986	78,920,596
4. Deduct: Recovered during year from reinsurance					
5. Net payments (Line 3 minus Line 4)	12,807,898	50,041,059	36,105,029	98,953,986	78,920,596
6. Known claims reserve - current year (Page 3, Line 1, Column 1)	14,540,270	55,776,040	31,019,754	101,336,064	106,059,426
7. Known claims reserve - prior year (Page 3, Line 1, Column 2)	11,915,621	58,064,647	36,079,158	106,059,426	124,315,626
8. Losses and allocated Loss Adjustment Expenses incurred (Ln 5 + Ln 6 - Ln 7)	15,432,547	47,752,452	31,045,625	94,230,624	60,664,396
9. Unallocated loss adjustment expenses incurred (Part 3, Line 24, Column 5)	1,519,877	5,938,230	4,284,483	11,742,590	10,332,534
10. Losses and loss adjustment expenses incurred (Line 8 plus Line 9)	16,952,424	53,690,682	35,330,108	105,973,214	70,996,930

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

	1 Direct Operations	Agency Operations		4 Total Current Year (Cols. 1 + 2 + 3)	5 Total Prior Year
		2 Non-Affiliated Agency Operations	3 Affiliated Agency Operations		
1. Loss and allocated LAE reserve for title and other losses of which notice has been received:					
1.1 Direct (Schedule P, Part 1, Line 12, Col. 17)	14,540,270	55,776,040	31,019,754	101,336,064	106,059,426
1.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Col. 18)					
2. Deduct reinsurance recoverable from authorized and unauthorized companies (Schedule P, Part 1, Line 12, Col. 19)					
3. Known claims reserve (Line 1.1 plus Line 1.2 minus Line 2)	14,540,270	55,776,040	31,019,754	101,336,064	106,059,426
4. Incurred But Not Reported:					
4.1 Direct (Schedule P, Part 1, Line 12, Col. 20)	86,286,379	139,287,008	77,464,242	303,037,629	268,186,000
4.2 Reinsurance assumed (Schedule P, Part 1, Line 12, Col. 21)					
4.3 Reinsurance ceded (Schedule P, Part 1, Line 12, Col. 22)					
4.4 Net incurred but not reported	86,286,379	139,287,008	77,464,242	303,037,629	268,186,000
5. Unallocated LAE reserve (Schedule P, Part 1, Line 12, Col. 23)	X X X	X X X	X X X	47,516,000	X X X
6. Less discount for time value of money, if allowed (Sch. P, Part 1, Line 12, Col. 33)	X X X	X X X	X X X		X X X
7. Total Schedule P reserves (Lines 3 + 4.4 + 5 - 6)(Sch. P, Part 1, Line 12, Col. 35)	X X X	X X X	X X X	451,889,693	X X X
8. Statutory premium reserve at year end	X X X	X X X	X X X	424,888,225	X X X
9. Aggregate of other reserves required by law	X X X	X X X	X X X		X X X
10. Gross supplemental reserve (a) (Lines 7 - (3 + 8 + 9))	X X X	X X X	X X X		X X X
11. Unrecognized Schedule P transition obligation	X X X	X X X	X X X		X X X
12. Net recognized supplemental reserve (Lines 10 - 11)	X X X	X X X	X X X		X X X

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

OPERATIONS AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	Title and Escrow Operating Expenses				5 Unallocated Loss Adjustment Expenses	6 Other Operations	7 Investment Expenses	Totals	
	1 Direct Operations	Agency Operations		4 Total (Cols. 1 + 2 + 3)				8 Current Year (Cols. 4 + 5 + 6 + 7)	9 Prior Year
		2 Non-affiliated Agency Operations	3 Affiliated Agency Operations						
1. Personnel costs:									
1.1 Salaries	152,071,370	38,738,829	737,863	191,548,062	7,984,961		199,533,023	213,432,126	
1.2 Employee relations and welfare	4,465,017	1,412,328	44,740	5,922,085	728,041		6,650,126	9,012,232	
1.3 Payroll taxes	7,936,254	2,409,769	60,138	10,406,161	575,387		10,981,548	11,867,380	
1.4 Other personnel costs	263,499	73,403	11,721	348,623	35,228		383,851	330,018	
1.5 Total personnel costs	164,736,140	42,634,329	854,462	208,224,931	9,323,617		217,548,548	234,641,756	
2. Amounts paid to or retained by title agents		535,952,479	304,609,559	840,562,038			840,562,038	1,028,463,067	
3. Production services (purchased outside):									
3.1 Searches, examinations and abstracts	16,438,300	4,402,967	45	20,841,312	11,743		20,853,055	26,650,177	
3.2 Surveys									
3.3 Other	41,345	1,202		42,547			42,547	247,326	
4. Advertising	4,864,561	1,171,676	13,291	6,049,528			6,049,528	5,479,309	
5. Boards, bureaus and associations	13,203	46,643		59,846			59,846	7,315	
6. Title plant rent and maintenance	3,032,952	1,195,237		4,228,189			4,228,189	4,488,133	
7. Claim adjustment services									
8. Amounts charged off, net of recoveries	54,382	202,645		257,027			257,027	1,222	
9. Marketing and promotional expenses	300,303	237,325		537,628			537,628	711,906	
10. Insurance	880,138	531,349	6,889	1,418,376	46,970		1,465,346	3,027,211	
11. Directors' fees									
12. Travel and travel items	10,627,739	3,645,895	182,197	14,455,831	246,594		14,702,425	16,891,063	
13. Rent and rent items	17,464,676	4,506,630	309,208	22,280,514	1,279,942		23,560,456	23,202,033	
14. Equipment	8,453,737	2,654,891	600,092	11,708,720	164,396		11,873,116	13,433,558	
15. Cost or depreciation of EDP equipment and software	11,365,734	4,196,466	1,200,946	16,763,146	58,713		16,821,859	24,580,809	
16. Printing, stationery, books and periodicals	5,748,040	1,563,818	148,786	7,460,644	293,565		7,754,209	9,361,690	
17. Postage, telephone, messengers and express	7,082,872	2,451,415	295,799	9,830,086	211,367		10,041,453	11,896,065	
18. Legal and auditing	12,800,035	4,015,741	1,207,899	18,023,675	70,455		18,094,130	22,997,109	
19. Totals (Lines 1.5 to 18)	263,904,157	609,410,708	309,429,173	1,182,744,038	11,707,362		1,194,451,400	1,426,079,749	
20. Taxes, licenses and fees:									
20.1 State and local insurance taxes	3,664,693	9,821,874	5,085,509	18,572,076			18,572,076	22,872,252	
20.2 Insurance department licenses and fees	352,524	756,985	321,344	1,430,853			1,430,853	1,238,907	
20.3 Gross guaranty association assessments									
20.4 All other (excluding federal income and real estate)	1,016,502	357,655	85,070	1,459,227			1,459,227	2,412,698	
20.5 Total taxes, licenses and fees (Lines 20.1 + 20.2 + 20.3 + 20.4)	5,033,719	10,936,514	5,491,923	21,462,156			21,462,156	26,523,857	
21. Real estate expenses								782	
22. Real estate taxes							14	14	
23. Aggregate write-ins for miscellaneous expenses	14,073,718	2,968,698	(179,699)	16,862,717	35,228	2,680,515	19,578,460	15,732,375	
24. Total expenses incurred (Lines 19 + 20.5 + 21 + 22 + 23)	283,011,594	623,315,920	314,741,397	1,221,068,911	11,742,590	2,680,529 (a)	1,235,492,030	1,468,336,763	
25. Less unpaid expenses - current year	9,252,346	24,797,547	12,839,500	46,889,393			46,889,393	43,314,797	
26. Add unpaid expenses - prior year	3,296,608	24,469,617	15,548,572	43,314,797			43,314,797	53,244,812	
27. TOTAL EXPENSES PAID (Lines 24 - 25 + 26)	277,055,856	622,987,990	317,450,469	1,217,494,315	11,742,590	2,680,529	1,231,917,434	1,478,266,778	
DETAILS OF WRITE-INS									
2301. Intercompany Referral Fees	8,359,127	2,145,367		10,504,494			10,504,494	7,563,413	
2302. Referral Expense	3,735,117	313,993		4,049,110			4,049,110	3,117,116	
2303. Interest and Investment Expense						2,680,515	2,680,515	2,182,100	
2398. Summary of remaining write-ins for Line 23 from overflow page	1,979,474	509,338	(179,699)	2,309,113	35,228		2,344,341	2,869,746	
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	14,073,718	2,968,698	(179,699)	16,862,717	35,228	2,680,515	19,578,460	15,732,375	

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

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

	1 Direct Operations	Agency Operations		4 Total (Cols. 1 + 2 + 3)	5 Other Operations	Totals	
		2 Non-affiliated Agency Operations	3 Affiliated Agency Operations			6 Current Year (Cols. 4 + 5)	7 Prior Year
1. Title insurance and related income (Part 1):							
1.1 Title insurance premiums earned (Part 1B, Line 3, Col. 1)	248,231,028	665,292,916	344,471,243	1,257,995,187		1,257,995,187	1,491,738,711
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)	28,484,038			28,484,038		28,484,038	36,406,128
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)	82,881,386			82,881,386		82,881,386	85,387,065
2. Aggregate write-ins for other operating income							
3. Total Operating Income (Lines 1.1 through 1.3 + 2)	359,596,452	665,292,916	344,471,243	1,369,360,611		1,369,360,611	1,613,531,904
DEDUCT:							
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)	16,952,424	53,690,681	35,330,110	105,973,215		105,973,215	70,996,930
5. Operating expenses incurred (Part 3, Line 24, Cols. 1 to 3 + 6)	283,011,594	623,315,920	314,741,397	1,221,068,911		1,221,068,911	1,455,821,345
6. Aggregate write-ins for other operating deductions							
7. Total Operating Deductions (Lines 4 + 5 + 6)	299,964,018	677,006,601	350,071,507	1,327,042,126		1,327,042,126	1,526,818,275
8. Net operating gain or (loss) (Lines 3 minus 7)	59,632,434	(11,713,685)	(5,600,264)	42,318,485		42,318,485	86,713,629
DETAILS OF WRITE-INS							
0201.							
0202.							
0203.							
0298. Summary of remaining write-ins for Line 2 from overflow page							
0299. Totals (Lines 0201 through 0203 plus 0298)							
0601.							
0602.							
0603.							
0698. Summary of remaining write-ins for Line 6 from overflow page							
0699. Totals (Lines 0601 through 0603 plus 0698)							

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 10,200,552	9,554,139
1.1 Bonds exempt from U.S. tax	(a) 11,144,203	11,277,847
1.2 Other bonds (unaffiliated)	(a) 7,024,020	7,010,718
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	491,569	491,569
2.21 Common stocks of affiliates	5,000,000	5,000,000
3. Mortgage loans	(c) 152,878	152,878
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 2,789,726	2,789,230
7. Derivative instruments	(f)	
8. Other invested assets	2,777,606	2,777,606
9. Aggregate write-ins for investment income	14,786	14,786
10. Total gross investment income	39,595,340	39,068,773
11. Investment expenses		(g) 1,243,669
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 1,436,846
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		2,680,515
17. Net investment income (Line 10 minus Line 16)		36,388,258
DETAILS OF WRITE-INS		
0901. Loans on personal security	14,786	14,786
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	14,786	14,786
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		

- (a) Includes \$ 171,266 accrual of discount less \$ 7,275,603 amortization of premium and less \$ 2,490,761 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	439,537		439,537		
1.1 Bonds exempt from U.S. tax	(139,210)		(139,210)		
1.2 Other bonds (unaffiliated)	(71,214)		(71,214)		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	4,982,320	(554,036)	4,428,284	2,026,893	
2.21 Common stocks of affiliates				220,403	
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets	25,140		25,140	(33,012,067)	
9. Aggregate write-ins for capital gains (losses)	138		138		
10. Total capital gains (losses)	5,236,711	(554,036)	4,682,675	(30,764,771)	

DETAILS OF WRITE-INS					
0901. Kitty Hawk Class Action	138		138		
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	138		138		

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	5,819	5,819	
3.2 Other than first liens	947,670	1,158,055	210,385
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale	239,950	239,950	
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Other invested assets (Schedule BA)	3,574,904	13,747,231	10,172,327
8. Receivables for securities			
9. Aggregate write-ins for invested assets			
10. Subtotals, cash and invested assets (Lines 1 to 9)	4,768,343	15,151,055	10,382,712
11. Title plants (for Title insurers only)	6,687,539	7,006,108	318,569
12. Investment income due and accrued			
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	26,390,085	33,717,362	7,327,277
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
13.3 Accrued retrospective premiums			
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers			
14.2 Funds held by or deposited with reinsured companies			
14.3 Other amounts receivable under reinsurance contracts			
15. Amounts receivable relating to uninsured plans			
16.1 Current federal and foreign income tax recoverable and interest thereon			
16.2 Net deferred tax asset	31,496,443	31,473,446	(22,997)
17. Guaranty funds receivable or on deposit			
18. Electronic data processing equipment and software			
19. Furniture and equipment, including health care delivery assets	33,734	62,493	28,759
20. Net adjustment in assets and liabilities due to foreign exchange rates			
21. Receivables from parent, subsidiaries and affiliates			
22. Health care and other amounts receivable			
23. Aggregate write-ins for other than invested assets	44,477,163	42,745,041	(1,732,122)
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	113,853,307	130,155,505	16,302,198
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26. Total (Lines 24 and 25)	113,853,307	130,155,505	16,302,198

DETAILS OF WRITE-INS			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)			
2301. Recoupment Receivable	19,349,699	19,349,699	
2302. Prepaid Expense and Other	9,518,210	10,268,429	750,219
2303. Goodwill	15,609,254	13,126,913	(2,482,341)
2398. Summary of remaining write-ins for Line 23 from overflow page			
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	44,477,163	42,745,041	(1,732,122)

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

The financial statements of Fidelity National Title Insurance Company are presented on the basis of accounting practices prescribed or permitted by the State of California Department of Insurance.

A. Accounting Practices:

To the extent possible, the accompanying financial statements have been prepared in substantial conformity with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual*, (NAIC SAP), except where the laws of the State of California differ. Significant variances between California basis of accounting and NAIC SAP are: investments in title plants under California laws are limited to 50% of an insurer's capital stock, as compared to NAIC SAP which allows the lesser of 20% of admitted assets or 40% of surplus; and recovery rates for amounts set aside in the statutory premium reserves differ.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of California is shown below:

	<u>12/31/2007</u>	<u>12/31/2006</u>
Net Income, California Basis	58,097,256	98,307,375
State Prescribed/Permitted Practices (Income):		
Statutory Premium Reserve Recovery, net of tax	30,149,842	3,901,643
Net Income, NAIC SAP Basis	88,247,098	102,209,018
Statutory Surplus, California Basis	237,682,104	273,989,612
State Prescribed/Permitted Practices (Surplus):		
Statutory Premium Reserve	90,621,820	60,471,977
Title Plants	6,687,539	7,006,108
Statutory Surplus, NAIC SAP Basis	334,991,463	341,467,697

B. Use of Estimates in the Preparation of the Financial Statements:

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy:

A portion of title insurance premiums written, escrow fees and other title fees is deferred and set aside in the statutory premium reserve which is computed and amortized in accordance with accounting practices prescribed by the California Department of Insurance. The remaining portion of title insurance premiums, escrow fees and other title fees are recognized at the time of the closing of the related real estate transaction.

Amounts paid to or retained by title agents are recognized as an expense when incurred.

In addition, the company uses the following accounting policies:

- (1) Short term investments are stated at amortized cost.
- (2) Bonds are stated at amortized cost using the effective interest method with exception to those bonds with a NAIC designation of 3-6, which are stated at the lower of amortized cost or market value.
- (3) Unaffiliated common stock holdings are stated at NAIC market value.
- (4) Preferred stocks are stated at NAIC market value with exception to the preferred stock with a NAIC designation of 3-6, which are stated at the lower of cost or market.
- (5) Mortgage Loans on Real Estate are stated at the aggregate carrying value less accrued interest.
- (6) Loan-backed securities are stated at amortized cost or the lower of amortized cost or market value.
- (7) Investment in Subsidiaries, Controlled or Affiliated Companies are valued using the underlying statutory equity, as adjusted, or audited GAAP equity, adjusted for certain non-admitted assets, as appropriate for each individual investment.
- (8) Interest in Joint Ventures - The company has ownership interests in joint ventures, partnerships and limited liability companies. Interests in these investments are valued based on the underlying audited

NOTES TO FINANCIAL STATEMENTS

GAAP equity of the investee, and may include adjustments for certain non-admitted assets depending on the ownership interest in the investee and the nature of the venture.

(9) Derivatives - None

(10) Anticipated investment income to be used as a factor in a premium deficiency calculation - None

(11) Unpaid losses and loss adjustment expense include an amount determined from individual case estimates and loss reports. Such liabilities are necessarily based on assumptions and estimates. While management believes the amount is adequate, the ultimate liability maybe in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

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

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

A. Not applicable

3. **Business Combinations and Goodwill:**

Non-applicable.

4. **Discontinued Operations:**

Non-applicable.

5. **Investments:**

A. Mortgage Loans – At December 31, 2007 and December 31, 2006, the Company had mortgage loans receivable consisting of promissory notes secured by first deeds of trust on real estate, with installments due monthly through 2037, or upon sale of real estate securing such promissory notes. Interest rates range from 0% to 11.98% in 2007 and from 0% to 11.98% in 2006.

B. Debt Restructuring – Non-applicable

C. Reverse Mortgages – Non-applicable

D. Loan Backed Securities

Prepayment assumptions for single class and multi-class mortgage backed/asset backed securities were obtained from broker dealer survey values or internal estimates.

A broker market analysis was used in determining the market value of its loan-back securities.

E. Repurchase Agreements – Non Applicable

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

The Company has no investments in joint ventures, partnerships or LLC's that exceed 10% of its admitted assets.

7. **Investment Income:**

There was no due and accrued income excluded in the financial statements.

8. **Derivative Instruments:**

None

9. **Income Taxes:**

A. **The components of the net DTA recognized in the Company's Assets, Liabilities, Surplus and Other Funds are as follows:**

	12.31.07	Dec. 31, 2006
(1) Total of gross deferred tax assets	41,333,509	41,673,742
(2) Total of deferred tax liabilities	(2,224,882)	(1,922,923)
Net deferred tax asset	39,108,627	39,750,819
(3) Deferred tax asset nonadmitted	(31,496,443)	(31,473,446)
(4) Net admitted deferred tax asset	7,612,185	8,277,372

NOTES TO FINANCIAL STATEMENTS

(5) Increase(decrease) in nonadmitted asset 22,997

B. Deferred tax liabilities are not recognized for the following amounts – Non-Applicable

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

	12.31.07	Dec. 31, 2006
Federal	23,293,811	39,369,429
Foreign	0	0
Sub-total	23,293,811	39,369,429
Capital Gains Tax	1,638,935	2,193,269
Federal income taxes incurred	24,932,745	41,562,698

The main components of the deferred tax amounts are as follows:

	Statutory	Tax	Difference	Tax Effect
Deferred tax assets:				
Discounting of reserves		90,077,981	(90,077,981)	31,527,293
Employee Benefits	(4,843,006)		(4,843,006)	1,695,052
Gain/Loss Sale of Assets	(1,973,144)		(1,973,144)	690,600
Unrealized Loss	0		0	0
Goodwill	(4,266,421)		(4,266,421)	1,493,247
Incentive Compensation	(596,267)		(596,267)	208,693
Reserve Accruals	(14,981,460)		(14,981,460)	5,243,511
Other Accruals	(1,357,462)		(1,357,462)	475,112
Total deferred tax assets	(28,017,760)	90,077,981	(118,095,740)	41,333,509
Nonadmitted deferred tax assets			89,989,836	(31,496,443)
Admitted deferred tax assets			(28,105,904)	9,837,066
Deferred tax liabilities:				
Deferred Intercompany Gain	0		0	0
Salvage & Subrogation		(639,256)	639,256	(223,740)
Other Accruals		(5,673,607)	5,673,607	(1,985,762)
Unrealized Gain		(43,942)	43,942	(15,380)
Total deferred tax liabilities	0	(6,356,805)	6,356,805	(2,224,882)
Net admitted deferred tax asset			(21,749,099)	7,612,185

The changes in main components of DTAs and DTLs are as follows:

	12.31.07	Dec. 31, 2006	Change
Deferred tax assets:			
Discounting of reserves	31,527,293	32,934,293	(1,407,000)
Employee Benefits	1,695,052	1,803,499	(108,447)
Gain/Loss Sale of Assets	690,600	211,794	478,806
Unrealized Loss	0	694,035	(694,035)
Goodwill	1,493,247	1,611,916	(118,669)
Incentive Compensation	208,693	191,621	17,072
Reserve Accruals	5,243,511	3,342,933	1,900,578
Other Accruals	475,112	883,651	(408,539)
Total deferred tax assets	41,333,509	41,673,742	(340,233)
Nonadmitted deferred tax assets	(31,496,443)	(31,473,446)	(22,997)
Admitted deferred tax assets	9,837,066	10,200,296	(363,230)
Deferred tax liabilities:			
Depreciation	0	0	0
Salvage & Subrogation	(223,740)	(248,283)	24,543
Other Accruals	(1,985,762)	(1,674,640)	(311,122)
Unrealized Gain	(15,380)	0	(15,380)
Total deferred tax liabilities	(2,224,882)	(1,922,923)	(301,959)
Net admitted deferred tax asset	7,612,185	8,277,373	(665,188)

D. Among the more significant book to tax adjustments were the following:

NOTES TO FINANCIAL STATEMENTS

	Amount	Tax Effect
Income before taxes	81,391,067	28,486,873
Capital (Gain)/Loss Adjustment	3,043,736	(1,065,307)
Tax exempt income deduction	9,822,495	(3,437,873)
Dividends received deduction	5,923,791	(2,073,327)
Investment Gain	0	0
Meals & Entertainment	3,188,052	1,115,818
Other non deductible adjustments	572,593	200,408
Subtotal after permanent differences	66,361,690	23,226,591
Temporary differences and prior year adjustments	192,055	67,219
Taxable Income/Current Tax	66,553,744	23,293,811

E. The Company does not have any capital loss or operating loss carry forwards.

(1)

E.(2) The amount of Federal income taxes incurred and available for recoupment in the event of future net losses is:

a. 4Q 2007	24,932,745
b. 2006	39,369,429
c. 2005	20,063,744

F. The Company is included in a consolidated federal income tax return with its parent company, Fidelity National Financial, Inc. (See organizational chart on Schedule Y for a complete listing of the Fidelity National Financial consolidated group). The Company has a written agreement, approved by the Company's Board of Directors, which set forth the manner in which the total combined federal income tax is allocated to each entity that is a party to the consolidation. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. The written agreement also provides that each entity in Fidelity's consolidated group compute their tax as though the entity pays tax on a stand alone basis.

10. Information Concerning Parent, Subsidiaries and Affiliates:

A. The Company is a member of a holding company group, as disclosed on Schedule Y Part 1 of this Statement.

During 2006, following appropriate corporate and regulatory approvals, the Board of Directors of FNF effectuated a corporate restructuring which eliminated the existing holding company of FNF. On October 24, 2006, FNF transferred insurance and other assets to FNT, in exchange for shares of FNT stock. FNF shareholders then received all shares of FNT stock owned by FNF upon the closing of the transaction. FNT became a stand alone public company. On November 9, 2006, FNF merged with and into its remaining subsidiary, Fidelity National Information Services (FIS), and subsequently FNT changed its name to Fidelity National Financial, Inc (new FNF) on November 10, 2006. Both FIS and the new FNF are now separate publicly traded companies. This restructuring did not have a material effect on the financial condition of the Company.

B. A summary of material transactions between the Company and its parent, subsidiaries and affiliates is disclosed on Schedule Y Part 2 of the Annual Statement.

On September 27, 2006, the Company sold 100,000 shares of FIS stock to Fidelity National Title Company, an affiliate, at the then current market price, for total consideration of \$3,772,000, as disclosed on Schedule D part 4 of the prior year Annual Statement.

On June 30, 2006, the outstanding collateral loan receivable from Fidelity National Financial Inc, with a remaining principal balance of \$3,450,000, was repaid in full.

C. The dollar amount of these transactions is disclosed on Schedule Y Part 2 of the Annual Statement.

D. At December 31, 2007 and December 31, 2006, the Company had a receivable from the parent and/or other related parties totaling \$6,973,585 and \$3,723,434 respectively, and a payable to the parent and/or other related parties of \$423,976 and \$702,147 respectively. Intercompany balances are generally settled on a monthly basis.

E. There are no guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that could result in a material contingent exposure of the reporting entity's or any related party's assets or liabilities.

NOTES TO FINANCIAL STATEMENTS

- F. The Company has several service agreements and cost sharing arrangements with its subsidiaries and affiliates. These arrangements are based on a straight pass-through allocation of actual costs incurred by the insurer. The balances on these arrangements are shown on Schedule Y of the Annual Statement.
- G. Chicago Title and Trust Company (CTT) own 100% of the outstanding shares of the Company.
- H. The Company owns no shares of stock of its ultimate parent company.
- I. The Company owns no shares of stock of affiliated or related parties that exceeds 10% of the admitted assets of the Company. All investments in affiliate company stocks are disclosed on Schedule D Part 6.
- J. Impairment write downs – None
- K. Foreign insurance company subsidiaries – Not applicable

11. Debt:

The company has no debt.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans:

- A. Defined Benefit Plan - None
- B. Defined Contribution Plan – None
- C. Multi-employer Plan – None
- D. Consolidated/Holding Company Plans – The Company’s employees are covered under a qualified voluntary contributory savings plan (“401(k) Plan”) sponsored by FNF. Under the plan, participating employees make contributions of up to 40% from pre-tax annual compensation, up to the amount allowed pursuant to the Internal Revenue Code, into individual accounts that are generally not available until the employee reaches age 59 ½. The Company matches participants’ contributions at a rate of 50% of the first 6% of compensation. Matching contributions of \$2,516,012 and \$2,920,442 were made in 2007 and 2006.

The Company’s employees are covered to participate in an Employee Stock Purchase Plan (“ESPP”). Under this plan, eligible employees may voluntarily purchase, at current market prices, shares of FNF’s common stock through payroll deduction. Pursuant to the ESPP Plans, employees may contribute an amount between 3% and 15% of their base salary and certain commissions. The Company contributes varying amounts as specified in the ESPP Plan. The Company’s cost of its employer matching contributions for the years 2007 and 2006 were \$2,108,906 and \$2,269,908 respectively.

Certain Company officers are participants in the 1987, 1991, 1993, 1998, 2001 and 2004 Executive Incentive Stock Option Plans and the 2005 Omnibus Incentive Plan (the “Plans”) sponsored by FNF. Under the Plans, participants have the option to purchase shares of FNF stock at annually declining share prices. Options granted under these plans expire within a specified period from the grant date. The 2005 Plan provides for the grant of stock options, stock appreciation rights, restricted stock, and other cash and stock-based awards and dividend equivalents. There is no material effect on the Company’s financial statements as a result of the creation of these Plans.

The Company’s employees are covered to participate in certain health care and life insurance benefits for retired employees, provided they meet specific eligibility requirements. The costs of these benefit plans are accrued during the periods the employees render service. The Company is both self-insured and fully insured for its postretirement health care and life insurance benefit plans, and the plans are not funded. The health care plans provide for insurance benefits after retirement and are generally contributory, with contributions adjusted annually. Postretirement life insurance benefits are contributory, with coverage amounts declining with increases in a retiree’s age. The Company experienced net health care and life insurance cost of \$0 during 2007 and 2006.

Certain Company employees and directors may be eligible to participate in a non-qualified deferred compensation plan sponsored by the Company’s ultimate parent, FNF. Selected participants may elect to defer an annual amount of salary, bonus, commissions and/or directors’ fees for a minimum of \$25,000 and a maximum of 100%. Plan assets are maintained by a trust established by the sponsor, and there is no expense to the Company in connection with this plan.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations:

- A. The Company has 5,000,000 shares of common stock authorized, 447,835 shares issued and outstanding. The par value per share is \$80.

NOTES TO FINANCIAL STATEMENTS

- B. The Company has no preferred stock outstanding. See General Interrogatories for further information.
- C. The maximum amount of dividends, which can be paid by State of California Insurance companies to shareholders without prior approval of the Insurance Commissioner, is subject to restrictions relating to statutory surplus. The maximum dividend payout which may be made without prior approval in 2008 is \$58,097,256. The Company declared and paid cash dividends of \$116,100,000 in 2006 and \$79,300,000 in 2007.
- D. Within the limitations of (C) above, there are no restrictions on the portion of the Company's profits that may be paid as ordinary dividends to shareholders.
- E. The Company has no restrictions placed on unassigned funds (surplus).
- F. Advances to surplus not repaid – Non-applicable.
- G. The Company holds no stock for any option or employee benefit plans.
- H. Changes in balances in special surplus funds – Non-applicable
- I. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is (\$39,503,433).
- J. Surplus Notes – None
- K. Quasi-reorganization – Non-applicable

14. Contingencies:

- A. Contingent Commitments – None.
- B. Assessments – Non-applicable
- C. Gain Contingencies – None
- D. All Other Contingencies:

In the ordinary course of business, we are involved in various pending and threatened litigation matters related to our operations, some of which include claims for punitive or exemplary damages. We believe that no actions, other than those listed below, depart from customary litigation incidental to its business and that the resolution of all pending and threatened litigation will not have a material effect on our results of operations, financial position or liquidity.

As background to the disclosure below, please note the following:

These matters raise difficult and complicated factual and legal issues and are subject to many uncertainties and complexities, including but not limited to the underlying facts of each matter, novel legal issues, variations between jurisdictions in which matters are being litigated, differences in applicable laws and judicial interpretations, the length of time before many of these matters might be resolved by settlement or through litigation and, in some cases, the timing of their resolutions relative to other similar cases brought against other companies, the fact that many of these matters are putative class actions in which a class has not been certified and in which the purported class may not be clearly defined, the fact that many of these matters involve multi-state class actions in which the applicable law for the claims at issue is in dispute and therefore unclear, and the current challenging legal environment faced by large corporations and insurance companies.

In these matters, plaintiffs seek a variety of remedies including equitable relief in the form of injunctive and other remedies and monetary relief in the form of compensatory damages. In most cases, the monetary damages sought include punitive or treble damages. Often more specific information beyond the type of relief sought is not available because plaintiffs have not requested more specific relief in their court pleadings. In addition, the dollar amount of damages sought is frequently not stated with specificity. In those cases where plaintiffs have made a statement with regard to monetary damages, they often specify damages either just above or below a jurisdictional limit regardless of the facts of the case. These limits represent either the jurisdictional threshold for bringing a case in federal court or the maximum they can seek without risking removal from state court to federal court. In our experience, monetary demands in plaintiffs' court pleadings bear little relation to the ultimate loss, if any, we may experience.

For the reasons specified above, it is not possible to make meaningful estimates of the amount or range of loss that could result from these matters at this time. We review these matters on an on-going basis and follow the provisions of SFAS No. 5, "Accounting for Contingencies" when making accrual and disclosure decisions. When assessing reasonably possible and probable outcomes, we base our decision on our assessment of the ultimate outcome following all appeals.

NOTES TO FINANCIAL STATEMENTS

In the opinion of management, while some of these matters may be material to our operating results for any particular period if an unfavorable outcome results, none will have a material adverse effect on our overall financial condition.

Class actions are pending in Ohio (*Randleman v. Fidelity National Title Insurance Company*, filed on February 15, 2006 in the U.S. District Court for the Northern District of Ohio, Western Division) and Pennsylvania (*Patterson v. Fidelity National Title Insurance Company of New York*, filed on October 27, 2003 in the Court of Common Pleas of Allegheny County, Pennsylvania), alleging that the Company failed to provide notice of premium discounts to consumers refinancing their mortgages, and failed to give discounts in refinancing transactions in violation of the filed rates. The actions seek refunds of the premiums charged and punitive damages. In *Randleman*, the Court dismissed all causes of action except implied in fact contract and unjust enrichment. Plaintiff's motion to certify a class was granted. In *Patterson*, the court sustained the Company's motion to dismiss all counts except counts for fraud and for violation of a consumer protection law. The Company's motion for summary judgment on the remaining two causes of action and the Plaintiff's motion for class certification are under submission. We intend to vigorously defend these actions.

A class action in Texas (*Arevalo v. Chicago Title Insurance Company and Ticor Title Insurance Company*, filed on March 24, 2006 in the U.S. District Court for the Western District of Texas, San Antonio Division) alleges that the Company overcharged for recording fees in Arizona, California, Colorado, Oklahoma and Texas. The suit seeks to recover the recording fees for the class that was overcharged, interest and attorney's fees. Plaintiff's motion for class certification and the Company's motions to dismiss and for summary judgment are under submission. We intend to vigorously defend these actions.

An amended complaint was filed in Illinois (*Independent Trust v. Fidelity National Title Insurance Company of New York* filed June 26, 2006 in the United States District Court for the Northern District of Illinois, Eastern Division) related to the litigation spawned by the defalcation of Intercounty Title Company of Illinois, a Fidelity agent in Chicago, IL. Plaintiff alleges Fidelity wrongfully used its funds to pay monies owed by Fidelity to customers of Intercounty. Plaintiff demands compensatory damages (which plaintiff alleges are believed to be in excess of \$20 million), punitive damages and other relief.

With the exception of the Independent Trust case, none of the cases described above includes a statement as to the amount of damages demanded, but instead includes a demand for damages in an amount to be proved at trial. The Independent Trust case includes the latter type of demand for compensatory and punitive damages, but in addition states that the amount of compensatory damages suffered by the plaintiff is believed to be in excess of \$20 million. Damage requests in complaints served on the company frequently bear little relation to the amount of damages that could ultimately be proved at a trial.

The Company gets inquiries and requests for information from state insurance departments, attorneys general and other regulatory agencies from time to time about various matters relating to its business. Sometimes these take the form of civil investigative subpoenas. The Company attempts to cooperate with all such inquiries. From time to time, the Company is assessed fines for violations of regulations or other matters or enters into settlements with such authorities which require the Company to pay money or take other actions.

In January 2007, the California Insurance Commissioner submitted to the California Office of Administrative Law (the "OAL") proposed regulations (the "Proposed Regulations") that would have significant effects on the title insurance industry in California. On February 21, 2007, the OAL disapproved the Proposed Regulations. On June 28, 2007, the California Department of Insurance (the "CDI") submitted a modified version of the Proposed Regulations to the OAL. The only substantive change in this modified version of the Proposed Regulations was to delay the implementation dates by approximately one year. The OAL approved the modified version of the Proposed Regulations on July 26, 2007 (as approved, the "Regulations") and filed them with the California Secretary of State. Notwithstanding the promulgation of the Regulations, we, as well as others, have been engaged in discussions with the CDI regarding possible industry reforms that may result in the CDI's decision to modify or repeal the Regulations prior to their implementation. In the event that the CDI does not modify or repeal the Regulations prior to their implementation, the Regulations are expected to have significant effects on the title insurance industry in California. Among other things, the Regulations set "maximum" rates, effective as of October 1, 2010, for title and escrow using industry data to be reported through the statistical plan described below and published by the CDI. In addition, the Regulations establish an interim reduction of all title and escrow rates effective October 1, 2010 if the CDI is unable to publish the data necessary for the calculation of the maximum rates by August 1, 2010. These interim rate reductions are intended to roll rates back so that, in effect, premiums would be charged on the basis of real property values from the year 2000. Title insurers would be required to reduce their rates to a level below their 2000 rates, with the amount of the reduction determined by a formula adjusting for real estate appreciation and inflation. We are concerned that the reduced rates set by the Regulations will significantly reduce the title and escrow rates that are charged in California, while precluding title insurers from seeking relief from those reduced or maximum rates. In addition, the Regulations create a detailed statistical plan, and require each title insurer, underwritten title company, and controlled escrow company to collect data at the individual transaction level beginning on January 1, 2009, and to report such data to the CDI on an annual basis beginning April 30, 2010.

Compliance with the data collection and reporting requirements of the Regulations would necessitate a significant revision and augmentation of our existing data collection and accounting systems before January 1,

NOTES TO FINANCIAL STATEMENTS

2009, and would require a significant expenditure to comply with the April 30, 2010 reporting deadline. The required rate reductions and maximum rates would significantly reduce the title insurance rates that our subsidiaries can charge, and would likely have a significant negative impact on our California revenues. In addition, the increased cost of compliance with the statistical data collection and reporting requirements would negatively impact our cost of doing business in California. California is the largest source of revenue for the title insurance industry, including for us.

We continue to meet with the CDI to discuss possible modifications to the Regulations and alternatives that could result in the repeal of the Regulations prior to their initial implementation. On October 5, 2007, the California Insurance Commissioner sent a letter to the title insurance industry outlining a series of acts that he has agreed to undertake in an effort to minimize the impact of the Regulations and to lay further groundwork for a possible resolution involving the modification or repeal of the Regulations prior to their initial implementation.

Among other things, the California Insurance Commissioner stated in such letter that: (i) the CDI will propose substantial changes to the data collection and reporting requirements of the Regulations that are designed to minimize compliance costs, (ii) the CDI will delay all effective dates in the Regulations by one year, which will have the effect of deferring the date on which the industry would be required to submit its first statistical report under the Regulations to April 30, 2011, and deferring the first possible rate reduction under the Regulations to October 1, 2011, and (iii) if the industry works with the CDI to enact substantive alternative reforms, the CDI is willing to eliminate the maximum rate formula altogether. In addition, we are exploring litigation alternatives in the event that the CDI does not modify or repeal the Regulations, including a possible lawsuit challenging the CDI's authority to promulgate rate regulations and statistical plan regulations related thereto.

15. Leases:

The Company is a party to a number of long-term non-cancelable operating leases for certain facilities, furniture and equipment which expire at various times through 2013. Rental expense for 2007 and 2006 was approximately \$21,542,751 and \$23,073,156 respectively. At December 31, 2007, the minimum rental commitments under all such leases with initial or remaining terms of more than one year, exclusive of any additional amounts that may become due under escalation clauses, are:

2008	25,393,510
2009	19,542,611
2010	16,445,696
2011	12,220,770
2012 & beyond	7,430,747
	81,033,334

16. Information About Financial Instruments With Off Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk:

None

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

Securities Lending Activity:

The Company has entered into a Securities Lending Agreement ("the Agreement") with Bank of New York ("BNY"), whereby it lends certain securities to certain BNY customers. The loaned securities remain assets of the Company. The Company receives cash collateral having a fair market value as of the transaction date at least equal to 102% of the fair value of loaned securities. A liability is established for the return of the collateral.

As of December 31, 2007, the fair value of securities loaned was as follows: Long term bonds, \$27,566,424.

As of December 31, 2007, the Company held the following collateral associated with securities lending transactions: cash equivalents, \$28,253,084.

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

Non-applicable

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

Non-applicable

20. Other Items:

A. Extraordinary Items – None

B. Troubled Debt Restructuring – None

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures:

- (1) Assets in the amount of \$54,433,843 at December 31, 2007 were on deposit with government authorities or trustees as required by law.
- (2) In conducting its operations, the Company routinely holds customers' assets in trust, pending completion of real estate transactions. Such amounts are maintained in segregated bank accounts and have not been included in the accompanying statutory financial statements. At December 31, 2007 and December 31, 2006, the Company held approximately \$692,149,138 and \$829,742,806, respectively, of such assets in trust and has a contingent liability relating to the proper disposition of these assets for its customers.

D. Uncollectible Balances – Not applicable

E. Business Interruption Insurance Recoveries – Not applicable

F. State Transferable Tax Credits – None

G. Amount of Deposits under Section 6603 of IRS Code – None

H. Hybrid Securities – Not applicable

I. Subprime Exposure

The subprime lending sector, also referred to as B-paper, near-prime, or second chance lending, is the sector of the mortgage lending industry which lends to borrowers who do not qualify for prime market interest rates because of poor or insufficient credit history. The term also refers to paper taken on property that cannot be sold on the primary market, including loans on certain types of investment properties and certain types of self-employed individuals. Instability in the domestic and international credit markets due to problems in the subprime sector dictates the need for additional information related to exposure to subprime mortgage related risk.

For purposes of this disclosure, subprime exposure is defined as the potential for financial loss through direct investment, indirect investment, or underwriting risk associated with risk from the subprime lending sector. For purposes of this note, subprime exposure is not limited solely to the risk associated with holding direct mortgage loans, but also includes any indirect risk through investments in debt securities, asset backed or structured securities, hedge funds, common stock, subsidiaries and affiliates, and insurance product issuance. Although it can be difficult to determine the indirect risk exposures, it should be noted that not only does it include expected losses, it also includes the potential for losses that could occur due to significantly depressed fair value of the related assets in an illiquid market.

As it relates to the exposure described above, the following information is disclosed:

- (1) Direct exposure through investments in subprime mortgage loans – None
- (2) Indirect exposure to subprime mortgage risk through investments in the following securities – None
- (3) Underwriting exposure to subprime mortgage risk – None
- (4) The Company monitors its investments and the portfolio's performance on a continuous basis. The process comprises an analysis of 30, 60, and 90 day delinquency rates, cumulative net losses and levels of subordination, all of which are updated on a monthly basis, where applicable.

21. Events Subsequent:

None

22. Reinsurance:

- A. Unsecured Reinsurance Recoverable – None
- B. Reinsurance in Dispute – None
- C. Reinsurance Assumed or Ceded – Non-applicable
- D. Uncollectible Reinsurance – None
- E. Commutation of Ceded Reinsurance – None
- F. Retroactive Reinsurance – None
- G. Reinsurance Accounted for as Deposit - None

23. Retrospectively Rated Contracts:

NOTES TO FINANCIAL STATEMENTS

None

24. Change in Incurred Losses and Loss Adjustment Expenses:

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased (decreased) by \$(4,723,359) from \$106,059,423 in 2006 to \$101,336,064 in 2007 as a result of re-estimation of unpaid losses and loss adjustment expenses. This increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

25. Inter-company Pooling Arrangements:

None

26. Structured Settlements:

None

27. Supplemental Reserves:

Non-applicable

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	53,101,171	6.586	53,101,171	6.586
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies				
1.22 Issued by U.S. government sponsored agencies	145,445,853	18.039	145,445,853	18.039
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations	300,718,783	37.296	300,718,783	37.296
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	3,833,246	0.475	3,833,246	0.475
1.43 Revenue and assessment obligations	6,681,308	0.829	6,681,308	0.829
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA				
1.512 Issued or guaranteed by FNMA and FHLMC				
1.513 All other				
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA				
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521				
1.523 All other				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	153,153,593	18.995	153,153,593	18.995
2.2 Unaffiliated foreign securities	7,295,948	0.905	7,295,948	0.905
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds	27,840,831	3.453	27,840,831	3.453
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated	20,183,659	2.503	20,183,659	2.503
3.4 Other equity securities:				
3.41 Affiliated	14,952,906	1.854	14,952,906	1.854
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development	127,175	0.016	127,175	0.016
4.2 Agricultural				
4.3 Single family residential properties	1,354,923	0.168	1,354,923	0.168
4.4 Multifamily residential properties	106,703	0.013	106,703	0.013
4.5 Commercial loans	29,222	0.004	29,222	0.004
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (including \$ 665,108 property acquired in satisfaction of debt)	665,108	0.082	665,108	0.082
6. Contract loans				
7. Receivables for securities	723,146	0.090	723,146	0.090
8. Cash, cash equivalents and short-term investments	37,622,310	4.666	37,622,310	4.666
9. Other invested assets	32,468,604	4.027	32,468,604	4.027
10. Total invested assets	806,304,489	100.000	806,304,489	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? California
- 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: 12/31/2006
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2003
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/29/2005
- 3.4 By what department or departments? California Department of Insurance

- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 KPMG LLC
 One Independent Drive, Suite 2700, Independent Square, Jacksonville, FL 32202
 10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? Timothy L. Schilling, FCAS, MAAA
 Fidelity National Title Group, Inc., 601 Riverside Ave, Jacksonville, FL 32204

- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []
 11.11 Name of real estate holding company Apollo Int'l R.E. Fund L.P.
 11.12 Number of parcels involved 0
 11.13 Total book/adjusted carrying value \$ 1,697,211

11.2 If yes, provide explanation

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

- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [X]
 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]
 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [X] N/A []
 13.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 c. Compliance with applicable governmental laws, rules and regulations;
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 e. Accountability for adherence to the code. Yes [X] No []
 13.11 If the response to 13.1 is No, please explain:
 13.2 Has the code of ethics for senior managers been amended? Yes [X] No []
 13.21 If the response to 13.2 is Yes, provide information related to amendment(s). Enhanced to reinforce company's core values, behavior, ethics and business practices.
 13.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 13.31 If the response to 13.3 is Yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
 15. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
 16. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
 18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 18.11 To directors or other officers \$ 0
 18.12 To stockholders not officers \$ 0
 18.13 Trustees, supreme or grand (Fraternal only) \$ 0
 18.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
 18.21 To directors or other officers \$ 0
 18.22 To stockholders not officers \$ 0
 18.23 Trustees, supreme or grand (Fraternal only) \$ 0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 19.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 19.2 If yes, state the amount thereof at December 31 of the current year:
- | | | | |
|-------|----------------------|----|---|
| 19.21 | Rented from others | \$ | 0 |
| 19.22 | Borrowed from others | \$ | 0 |
| 19.23 | Leased from others | \$ | 0 |
| 19.24 | Other | \$ | 0 |
- 20.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 20.2 If answer is yes:
- | | | | |
|-------|------------------------------------------|----|---|
| 20.21 | Amount paid as losses or risk adjustment | \$ | 0 |
| 20.22 | Amount paid as expenses | \$ | 0 |
| 20.23 | Other amounts paid | \$ | 0 |
- 21.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 6,973,585

INVESTMENT

- 22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes [X] No []
- 22.2 If no, give full and complete information, relating thereto
- 23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1). Yes [X] No []
- 23.2 If yes, state the amount thereof at December 31 of the current year:
- | | | | |
|--------|--------------------------------------------------|----|------------|
| 23.21 | Loaned to others | \$ | 26,884,214 |
| 23.22 | Subject to repurchase agreements | \$ | 0 |
| 23.23 | Subject to reverse repurchase agreements | \$ | 0 |
| 23.24 | Subject to dollar repurchase agreements | \$ | 0 |
| 23.25 | Subject to reverse dollar repurchase agreements | \$ | 0 |
| 23.26 | Pledged as collateral | \$ | 0 |
| 23.27 | Placed under option agreements | \$ | 0 |
| 23.28 | Letter stock or securities restricted as to sale | \$ | 0 |
| 23.29 | On deposit with state or other regulatory body | \$ | 53,433,843 |
| 23.291 | Other | \$ | 0 |

23.3 For category (23.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0
		0
		0

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.
- 25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 25.2 If yes, state the amount thereof at December 31 of the current year. \$ 0
26. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, G - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []
- 26.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
BNY Western Trust	700 S Flowers St. Suite 200 Los Angeles, CA 90017

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

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

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [] No [X]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
Managed in House	Matthew Hartmann	601 Riverside Ave., Jacksonville, FL 32204
Managed in House	Sean Casey	601 Riverside Ave., Jacksonville, FL 32204

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

27.2 If yes, complete the following schedule:

1 CUSIP#	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		0
		0
		0
		0
27.2999	Total	0

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		0	
		0	
		0	
		0	

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
28.1 Bonds	698,070,732	701,347,411	3,276,679
28.2 Preferred stocks	0	0	0
28.3 Totals	698,070,732	701,347,411	3,276,679

28.4 Describe the sources or methods utilized in determining the fair values: Fair values determined based on guidelines set forth in NAIC Securities Valuation Manual, NAIC Annual Statement Instructions, and when necessary, information provided by market service organizations.

29.1 Have all the filing requirements of the Purposes and Procedures manual of the NAIC Securities Valuation Office been followed? Yes [] No []

29.2 If no, list exceptions: _____

OTHER

30.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 527,301

30.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
American Land Title Association	\$ 162,279
Title Insurance Rating Service	\$ 158,914
	\$ 0

31.1 Amount of payments for legal expenses, if any? \$ 3,494,366

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

1 Name	2 Amount Paid
	\$ 0
	\$ 0
	\$ 0

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

\$ 41,232

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

1 Name	2 Amount Paid
Nick Kraji	\$ 27,072
	\$ 0
	\$ 0
	\$ 0

GENERAL INTERROGATORIES

PART 2-TITLE INTERROGATORIES

- | | | | | | | | | | | | | | | | | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------|------------------------|-------------|------|---------------------------|-----------------------|------|-------------------------|-------------|------|----------------------------------|-------------|------|-------|-----------------------|--|
| <p>1. Did any persons while an officer, director, trustee, or employee receive directly or indirectly, during the period covered by this statement, any compensation in addition to his/her regular compensation on account of the reinsurance transactions of the reporting entity?</p> | <p>YES [] NO [X]</p> | | | | | | | | | | | | | | | | | | |
| <p>2. Largest net aggregate amount insured in any one risk.</p> | <p>\$ <u>334,630,325</u></p> | | | | | | | | | | | | | | | | | | |
| <p>3.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk or portion thereof, reinsured?</p> | <p>YES [] NO [X]</p> | | | | | | | | | | | | | | | | | | |
| <p>3.2 If yes, give full information</p> <p>.....</p> <p>.....</p> <p>.....</p> | | | | | | | | | | | | | | | | | | | |
| <p>4. If the reporting entity has assumed risk from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?</p> | <p>YES [X] NO []</p> | | | | | | | | | | | | | | | | | | |
| <p>5.1 Has this reporting entity guaranteed policies issued by any other entity and now in force?</p> | <p>YES [X] NO []</p> | | | | | | | | | | | | | | | | | | |
| <p>5.2 If yes, give full information</p> <p style="padding-left: 20px;">Fidelity National Title Ins of TX merged into Company Dec, 1993.</p> <p style="padding-left: 20px;">Fidelity National Title Ins of CA and Nations Title Insurance Company were merged effective Aug 7, 1997 and Dec 29, 1997 respectively.</p> <p style="padding-left: 20px;">Fidelity National Title Ins of PA merged effective April, 1997 and Fidelity National Title Ins Co of NY merged July 30, 2004.</p> | | | | | | | | | | | | | | | | | | | |
| <p>6. Uncompleted building construction loans:</p> <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 5%;">6.1</td> <td style="width: 70%;">Amount already loaned</td> <td style="width: 25%; text-align: right;">\$ <u>0</u></td> </tr> <tr> <td>6.2</td> <td>Balance to be advanced</td> <td style="text-align: right;">\$ <u>0</u></td> </tr> <tr> <td>6.3</td> <td>Total amount to be loaned</td> <td style="text-align: right;">\$ <u>0</u></td> </tr> </table> | 6.1 | Amount already loaned | \$ <u>0</u> | 6.2 | Balance to be advanced | \$ <u>0</u> | 6.3 | Total amount to be loaned | \$ <u>0</u> | | | | | | | | | | |
| 6.1 | Amount already loaned | \$ <u>0</u> | | | | | | | | | | | | | | | | | |
| 6.2 | Balance to be advanced | \$ <u>0</u> | | | | | | | | | | | | | | | | | |
| 6.3 | Total amount to be loaned | \$ <u>0</u> | | | | | | | | | | | | | | | | | |
| <p>7.1 Does the reporting entity issue bonds secured by certificates of participation in building construction loans prior to the completion of the buildings?</p> | <p>YES [] NO [X]</p> | | | | | | | | | | | | | | | | | | |
| <p>7.2 If yes, give total amount of such bonds or certificates of participation issued and outstanding.</p> | <p>\$ <u>0</u></p> | | | | | | | | | | | | | | | | | | |
| <p>8. What is the aggregate amount of mortgage loans owned by the reporting entity which consist of co-ordinate interest in first liens?</p> | <p>\$ <u>0</u></p> | | | | | | | | | | | | | | | | | | |
| <p>9.1 Reporting entity assets listed on Page 2 include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserves:</p> <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 5%;">9.11</td> <td style="width: 70%;">Bonds</td> <td style="width: 25%; text-align: right;">\$ <u>424,888,225</u></td> </tr> <tr> <td>9.12</td> <td>Short-term investments</td> <td style="text-align: right;">\$ <u>0</u></td> </tr> <tr> <td>9.13</td> <td>Mortgages</td> <td style="text-align: right;">\$ <u>0</u></td> </tr> <tr> <td>9.14</td> <td>Cash</td> <td style="text-align: right;">\$ <u>0</u></td> </tr> <tr> <td>9.15</td> <td>Other admissible invested assets</td> <td style="text-align: right;">\$ <u>0</u></td> </tr> <tr> <td>9.16</td> <td>Total</td> <td style="text-align: right;">\$ <u>424,888,225</u></td> </tr> </table> | 9.11 | Bonds | \$ <u>424,888,225</u> | 9.12 | Short-term investments | \$ <u>0</u> | 9.13 | Mortgages | \$ <u>0</u> | 9.14 | Cash | \$ <u>0</u> | 9.15 | Other admissible invested assets | \$ <u>0</u> | 9.16 | Total | \$ <u>424,888,225</u> | |
| 9.11 | Bonds | \$ <u>424,888,225</u> | | | | | | | | | | | | | | | | | |
| 9.12 | Short-term investments | \$ <u>0</u> | | | | | | | | | | | | | | | | | |
| 9.13 | Mortgages | \$ <u>0</u> | | | | | | | | | | | | | | | | | |
| 9.14 | Cash | \$ <u>0</u> | | | | | | | | | | | | | | | | | |
| 9.15 | Other admissible invested assets | \$ <u>0</u> | | | | | | | | | | | | | | | | | |
| 9.16 | Total | \$ <u>424,888,225</u> | | | | | | | | | | | | | | | | | |
| <p>9.2 List below segregate funds held for others by the reporting entity, set apart in special accounts and excluded from entity assets and liabilities. (These funds are also included in Schedule E - Part 1D Summary and the "From Separate Accounts, Segregated Accounts and Protected Cell Accounts" line on Page 2 except for escrow funds held by Title insurers).</p> <table style="width: 100%; margin-left: 40px;"> <tr> <td style="width: 5%;">9.21</td> <td style="width: 70%;">Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of:</td> <td style="width: 25%; text-align: right;">\$ <u>692,149,138</u></td> </tr> <tr> <td colspan="3">These funds consist of:</td> </tr> <tr> <td>9.22</td> <td>In cash on deposit</td> <td style="text-align: right;">\$ <u>692,149,138</u></td> </tr> <tr> <td>9.23</td> <td>Other forms of security</td> <td style="text-align: right;">\$ <u>0</u></td> </tr> </table> | 9.21 | Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of: | \$ <u>692,149,138</u> | These funds consist of: | | | 9.22 | In cash on deposit | \$ <u>692,149,138</u> | 9.23 | Other forms of security | \$ <u>0</u> | | | | | | | |
| 9.21 | Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of: | \$ <u>692,149,138</u> | | | | | | | | | | | | | | | | | |
| These funds consist of: | | | | | | | | | | | | | | | | | | | |
| 9.22 | In cash on deposit | \$ <u>692,149,138</u> | | | | | | | | | | | | | | | | | |
| 9.23 | Other forms of security | \$ <u>0</u> | | | | | | | | | | | | | | | | | |

FIVE-YEAR HISTORICAL DATA

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

	1 2007	2 2006	3 2005	4 2004	5 2003
Source of Direct Title Premiums Written (Part 1A)					
1. Direct operations (Part 1A, Line 1, Col. 1)	251,405,363	262,486,943	279,400,481	209,484,490	219,117,861
2. Non-affiliated agency operations (Part 1A, Line 1, Col. 2)	673,800,566	774,166,587	858,957,068	785,632,176	788,686,929
3. Affiliated agency operations (Part 1A, Line 1, Col. 3)	348,876,279	483,296,967	600,468,711	619,743,390	690,934,633
4. Total	1,274,082,208	1,519,950,497	1,738,826,260	1,614,860,056	1,698,739,423
Operating Income Summary (Page 4 & Part 1)					
5. Premiums earned (Part 1B, Line 3)	1,257,995,188	1,491,738,711	1,691,590,199	1,571,696,843	1,650,174,248
6. Escrow and settlement service charges (Part 1A, Line 2)	28,484,038	36,406,128	41,552,207	20,879,945	35,058,216
7. Title examinations (Part 1C, Line 1)	41,095	131,270			
8. Searches and abstracts (Part 1C, Line 2)	23,252,515	25,634,276	31,551,618	27,934,515	37,759,472
9. Surveys (Part 1C, Line 3)					
10. Aggregate write-ins for service charges (Part 1C, Line 4)	59,587,776	59,621,519	44,572,778	29,605,053	38,676,012
11. Aggregate write-ins for other operating income (Page 4, Line 2)					
12. Total operating income (Page 4, Line 3)	1,369,360,612	1,613,531,904	1,809,266,802	1,650,116,356	1,761,667,948
Statement of Income (Page 4)					
13. Net operating gain or (loss) (Line 8)	42,318,485	86,713,629	56,030,701	53,183,978	73,641,183
14. Net investment gain or (loss) (Line 11)	39,431,994	50,963,175	103,132,938	36,930,935	47,148,318
15. Total other income (Line 12)	(359,416)				
16. Federal and foreign income taxes incurred (Line 14)	23,293,807	39,369,429	20,063,744	35,388,017	38,466,386
17. Net income (Line 15)	58,097,256	98,307,375	139,099,895	54,726,896	82,323,115
Balance Sheet (Pages 2 and 3)					
18. Title insurance premiums and fees receivable (Page 2, Line 13, Col. 3)	13,427,181	14,766,593	27,674,859	23,892,161	14,194,015
19. Total admitted assets excluding segregated accounts (Page 2, Line 24, Col. 3)	860,789,383	901,185,805	921,743,960	747,720,495	782,030,675
20. Known claims reserve (Page 3, Line 1)	101,336,064	106,059,423	124,315,626	105,344,318	98,102,719
21. Statutory premium reserve (Page 3, Line 2)	424,888,225	413,184,437	384,097,625	338,047,349	300,514,659
22. Total liabilities (Page 3, Line 21)	623,107,279	627,196,193	628,496,549	528,016,655	543,101,127
23. Capital paid up (Page 3, Lines 23 + 24)	35,826,800	35,826,800	35,826,800	35,826,800	37,326,800
24. Surplus as regards policyholders (Page 3, Line 30)	237,682,104	273,989,612	293,247,411	219,703,840	238,929,548
Cash Flow (Page 5)					
25. Net cash from operations (Line 11)	64,230,499	104,984,315	132,890,370	65,361,108	149,952,866
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)					
(Item divided by Page 2, Line 10, Col. 3) x 100.0					
26. Bonds (Line 1)	83.1	80.8	80.9	69.7	59.5
27. Stocks (Lines 2.1 & 2.2)	4.4	7.0	8.4	13.6	10.9
28. Mortgage loans on real estate (Line 3.1 and 3.2)	0.2	0.2	0.1	0.7	0.7
29. Real estate (Lines 4.1, 4.2 & 4.3)	0.1				0.1
30. Cash, cash equivalents and short-term investments (Line 5)	8.1	7.3	4.2	7.9	23.1
31. Contract loans (Line 6)					
32. Other invested assets (Line 7)	4.0	4.1	6.3	8.2	5.9
33. Receivable for securities (Line 8)	0.1	0.6	0.1		
34. Aggregate write-ins for invested assets (Line 9)					
35. Subtotals cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
36. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)					
37. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1)					
38. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 1)	14,952,908	14,732,503	14,068,506	67,770,991	77,314,527
39. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 7)					
40. Affiliated mortgage loans on real estate					
41. All other affiliated	28,634,580	43,222,934	57,087,536	51,221,584	51,731,862
42. Total of above Lines 36 to 41	43,587,488	57,955,437	71,156,042	118,992,575	129,046,389
43. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 42 above divided by Page 3, Line 30, Col. 1 x 100.0)	18.3	21.2	24.3	54.2	54.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2007	2 2006	3 2005	4 2004	5 2003
Capital and Surplus Accounts (Page 4)					
44. Net unrealized capital gains or (losses) (Line 18)	(31,474,186)	(10,391,996)	(29,135,374)	1,572,984	(15,079,167)
45. Change in nonadmitted assets (Line 21)	16,302,198	7,982,054	(41,219,295)	4,980,106	(18,117,235)
46. Dividends to stockholders (Line 28)	(79,300,000)	(116,100,000)	(42,500,000)	(85,556,001)	(32,900,000)
47. Change in surplus as regards policyholders for the year (Line 31)	(36,307,508)	(19,257,799)	73,543,571	(19,225,708)	80,648,467
Losses Paid and Incurred (Part 2A)					
48. Net payments (Line 5, Col. 4)	98,953,986	78,920,596	106,761,520	97,388,856	91,910,249
49. Losses and allocated LAE incurred (Line 8, Col. 4)	94,230,624	60,664,396	125,732,838	104,630,443	97,226,192
50. Unallocated LAE incurred (Line 9, Col. 4)	11,742,590	10,332,534			
51. Losses and loss adjustment expenses incurred (Line 10, Col. 4)	105,973,214	70,996,930	125,732,838	104,630,443	97,226,192
Operating Expenses to Total Operating Income (Part 3)(%) (Line item divided by Page 4, Line 3 x 100.0)					
52. Personnel costs (Part 3, Line 1.5, Col. 4)	15.2	14.0	12.8	9.7	10.7
53. Amount paid to or retained by title agents (Part 3, Line 2, Col. 4)	61.4	63.7	66.6	71.4	69.8
54. All other operating expenses (Part 3, Lines 24 minus 1.5 minus 2, Col. 4)	12.6	12.4	10.6	9.3	9.8
55. Total (Lines 52 to 54)	89.2	90.2	90.0	90.4	90.3
Operating Percentages (Page 4) (Line item divided by Page 4, Line 3 x 100.0)					
56. Losses and loss adjustment expenses incurred (Line 4)	7.7	4.4	6.9	6.3	5.5
57. Operating expenses incurred (Line 5)	89.2	90.2	90.0	90.4	90.3
58. Aggregate write-ins for other operating deductions (Line 6)					
59. Total operating deductions (Line 7)	96.9	94.6	96.9	96.8	95.8
60. Net operating gain or (loss) (Line 8)	3.1	5.4	3.1	3.2	4.2
Other Percentages (Line item divided by Part 1B, Line 1.4 x 100.0)					
61. Losses and loss expenses incurred to net premiums written (Page 4, Line 4)	8.3	4.7	7.2	6.5	5.7
62. Operating expenses incurred to net premiums written (Page 4, Line 5)	96.2	95.7	93.7	92.6	93.7

SCHEDULE D - SUMMARY BY COUNTRY
Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1	2	3	4
		Book/Adjusted Carrying Value	Fair Value	Actual Cost	Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	198,547,024	202,599,549	202,649,600	194,815,000
	2. Canada				
	3. Other Countries				
	4. Totals	198,547,024	202,599,549	202,649,600	194,815,000
States, Territories and Possessions (Direct and guaranteed)	5. United States	300,718,784	301,713,746	308,376,684	286,500,000
	6. Canada				
	7. Other Countries				
	8. Totals	300,718,784	301,713,746	308,376,684	286,500,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States	3,833,246	3,815,256	4,146,643	3,695,000
	10. Canada				
	11. Other Countries				
	12. Totals	3,833,246	3,815,256	4,146,643	3,695,000
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	6,681,308	6,712,565	7,205,960	6,500,000
	14. Canada				
	15. Other Countries				
	16. Totals	6,681,308	6,712,565	7,205,960	6,500,000
Public Utilities (unaffiliated)	17. United States				
	18. Canada				
	19. Other Countries				
	20. Totals				
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	153,153,593	150,809,937	158,342,581	149,736,000
	22. Canada				
	23. Other Countries	7,295,948	7,494,020	7,294,619	7,300,000
	24. Totals	160,449,541	158,303,957	165,637,200	157,036,000
Parent, Subsidiaries and Affiliates	25. Totals				
	26. Total Bonds	670,229,903	673,145,073	688,016,087	648,546,000
PREFERRED STOCKS					
Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
	30. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
	34. Totals				
Industrial and Miscellaneous (unaffiliated)	35. United States				
	36. Canada				
	37. Other Countries				
	38. Totals				
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks				
COMMON STOCKS					
Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
	44. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	45. United States				
	46. Canada				
	47. Other Countries				
	48. Totals				
Industrial and Miscellaneous (unaffiliated)	49. United States	20,183,659	20,183,659	20,139,716	
	50. Canada				
	51. Other Countries				
	52. Totals	20,183,659	20,183,659	20,139,716	
Parent, Subsidiaries and Affiliates	53. Totals	14,952,908	14,952,908	19,080,917	
	54. Total Common Stocks	35,136,567	35,136,567	39,220,633	
	55. Total Stocks	35,136,567	35,136,567	39,220,633	
	56. Total Bonds and Stocks	705,366,470	708,281,640	727,236,720	

SCHEDULE D - VERIFICATION BETWEEN YEARS
Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year	744,310,118	7. Amortization of premium	7,275,596
2. Cost of bonds and stocks acquired, Column 7, Part 3	779,945,623	8. Foreign Exchange Adjustment:	
3. Accrual of discount	171,266	8.1 Column 15, Part 1	
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2 Section 1	
4.1 Columns 12 - 14, Part 1		8.3 Column 16, Part 2, Section 2	
4.2 Column 15 - 17, Part 2, Section 1		8.4 Column 15, Part 4	
4.3 Column 15, Part 2, Section 2	(375,264)	9. Book/adjusted carrying value at end of current period	705,366,470
4.4 Column 11 - 13, Part 4	2,068,532	10. Total valuation allowance	
5. Total gain (loss), Column 19, Part 4	5,211,425	11. Subtotal (Lines 9 plus 10)	705,366,470
6. Deduct consideration for bonds and stocks disposed of Column 7, Part 4	818,689,634	12. Total nonadmitted amounts	
		13. Statement value of bonds and stocks, current period	705,366,470

SCHEDULE P - PART 1 - SUMMARY

(\$'000 Omitted)

Years In Which Policies Were Written	1 Amount of Insurance Written in Millions	Premiums Written and Other Income					Loss and Allocated Loss Adjustment Expenses Payments					
		2 Direct Premium	3 Assumed Premium	4 Other Income	5 Ceded Premium	6 Net	Loss Payments			Allocated LAE Payments		
							7 Direct	8 Assumed	9 Ceded	10 Direct	11 Assumed	12 Ceded
1. Prior	X X X	5,101,246	58,214	769,226	47,888	5,880,798	248,975		35	197,936		1
2. 1998	220,885	790,202	2,423	35,535	659	827,501	27,102		28	21,662		8
3. 1999	235,624	834,672	3,447	40,275	992	877,402	34,620		183	25,079		61
4. 2000	223,873	741,348	1,714	45,171	1,474	786,759	80,343		18,861	48,520		5,823
5. 2001	318,820	956,014	1,843	53,221	2,279	1,008,799	41,168			24,965		
6. 2002	410,415	1,303,500	1,483	85,469	3,110	1,387,342	46,459			22,253		
7. 2003	544,171	1,698,740	1,094	111,494	2,526	1,808,802	36,483		3	26,281		2
8. 2004	494,110	1,614,860	1,245	78,420	3,876	1,690,649	41,700			18,465		
9. 2005	592,522	1,738,826	1,499	117,677	2,685	1,855,317	39,663			15,771		
10. 2006	569,350	1,519,950	2,325	121,793	1,450	1,642,618	20,445			4,840		
11. 2007	519,984	1,274,082	2,202	111,365	6,585	1,381,064	2,329			4,179		
12. Totals	X X X	17,573,440	77,489	1,569,646	73,524	19,147,051	619,287		19,110	409,951		5,895

	13 Salvage and Subrogation Received	14 Unallocated Loss Expense Payments	15 Total Net Loss and Expense Paid (Cols. 7+8+10+11-9-12+14)	16 Number of Claims Reported (Direct)	Loss and Allocated Loss Adjustment Expenses Unpaid						23 Unallocated Loss Expense Unpaid
					Known Claim Reserves			IBNR Reserves			
					17 Direct	18 Assumed	19 Ceded	20 Direct	21 Assumed	22 Ceded	
1. Prior	84,520	694	447,569	59,888	10,240			27,180			10,361
2. 1998	6,584	233	48,961	6,872	1,302			5,112			1,133
3. 1999	12,073	385	59,840	7,341	1,939			6,882			1,385
4. 2000	17,434	769	104,948	6,141	5,148			7,925			2,430
5. 2001	9,285	810	66,943	5,682	4,234			11,028			1,550
6. 2002	10,000	1,435	70,147	6,399	7,054			16,550			1,624
7. 2003	8,184	3,120	65,879	6,467	12,993			27,905			3,901
8. 2004	8,078	3,492	63,657	6,076	13,487			33,228			3,849
9. 2005	4,369	5,364	60,798	5,918	20,187			45,202			6,159
10. 2006	2,311	4,044	29,329	3,567	18,270			55,308			10,182
11. 2007	825	1,728	8,236	764	6,480			66,718			4,942
12. Total	163,663	22,074	1,026,307	115,115	101,334			303,038			47,516

	24 Total Net Loss and LAE Unpaid (Cols. 17+18+20+21-19-22+23)	25 Number of Claims Outstanding (Direct)	Losses and Allocated Loss Expenses Incurred				Loss and LAE Ratio		32 Net Loss & LAE Per \$1000 Of Coverage For Time Value of Money ((Cols. 29+14+23)/Col. 1)	33 Discount For Time Value of Money	34 Inter-company Pooling Participation Percentage	35 Net Reserves After Discount (Cols. 24-33)
			26 Direct (Cols. 7+10+17+20)	27 Assumed (Cols. 8+11+18+21)	28 Ceded (Cols. 9+12+19+22)	29 Net	30 Direct Basis ((Cols. 14+23+26)/[Cols. 2+4])	31 Net Basis ((Cols. 14+23+29)/Col.6)				
1. Prior	47,781	479	484,331		36	484,295	0.084	0.084	X X X		47,781	
2. 1998	7,547	197	55,178		36	55,142	0.068	0.068	0.256		7,547	
3. 1999	10,206	317	68,520		244	68,276	0.080	0.080	0.297		10,206	
4. 2000	15,503	322	141,936		24,684	117,252	0.185	0.153	0.538		15,503	
5. 2001	16,812	453	81,395			81,395	0.083	0.083	0.263		16,812	
6. 2002	25,228	751	92,316			92,316	0.069	0.069	0.232		25,228	
7. 2003	44,799	1,039	103,662		5	103,657	0.061	0.061	0.203		44,799	
8. 2004	50,564	1,274	106,880			106,880	0.067	0.068	0.231		50,564	
9. 2005	71,548	1,888	120,823			120,823	0.071	0.071	0.223		71,548	
10. 2006	83,760	1,725	98,863			98,863	0.069	0.069	0.199		83,760	
11. 2007	78,140	581	79,706			79,706	0.062	0.063	0.166		78,140	
12. Total	451,888	9,026	1,433,610		25,005	1,408,605	X X X	X X X	X X X		X X X	451,888

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

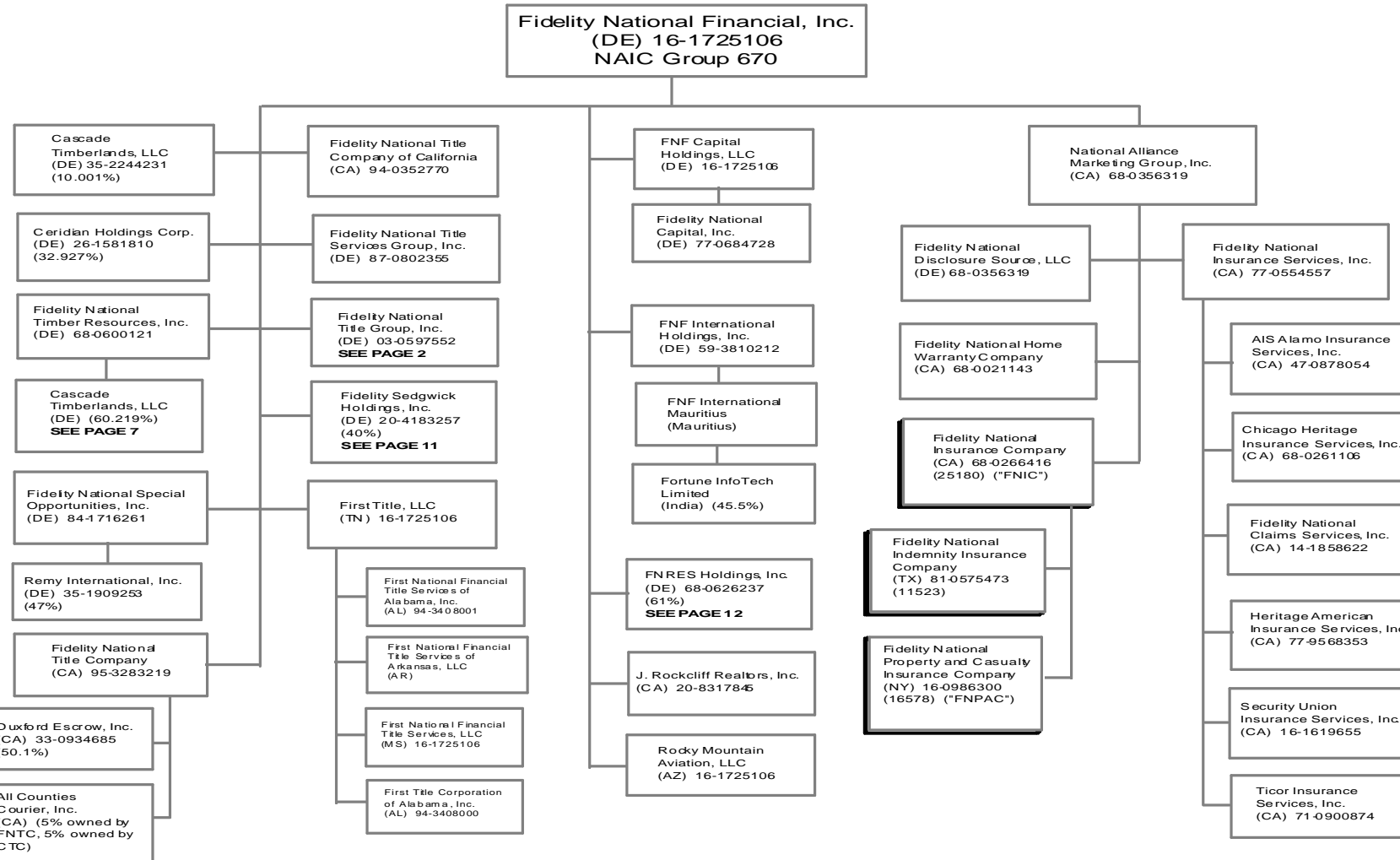
States, Etc.	1 Is Insurer Licensed ? (Yes or No)	2 Premium Rate (b)	Direct Premiums Written			6 Other Income	7 Direct Premiums Earned	8 Direct Losses Paid	9 Direct Losses Incurred	10 Direct Losses Unpaid	
			3 Direct Operations	Agency Operations							
				4 Non-affiliated Agencies	5 Affiliated Agencies						
1. Alabama	AL	YES R	617,951	3,748,220	979,286	26,788	5,311,888	997,115	1,180,536	653,841	
2. Alaska	AK	YES AI	126,333	2,536,582		11,853	2,638,453	884	175,277	174,393	
3. Arizona	AZ	YES AI	27,131,108	25,618,258	13,176,808	17,186,164	65,067,585	5,540,234	3,758,432	3,246,110	
4. Arkansas	AR	YES R	41,201	4,412,828	731,623	16,684	5,046,148	150,595	352,380	257,249	
5. California	CA	YES AI	3,327,542	40,653,438	222,798,085	732,080	262,491,482	27,231,599	18,986,478	32,544,950	
6. Colorado	CO	YES AI	6,113,393	6,708,847	126,721	6,174,942	12,861,273	463,230	942,450	596,612	
7. Connecticut	CT	YES R	1,750,992	12,516,055	26,586	1,682,549	14,180,120	2,865,392	(821,969)	707,334	
8. Delaware	DE	YES R	68,465	687,228		13,823	749,442	49,009	65,785	22,125	
9. Dist. Columbia	DC	YES R	251,245	2,097,505	1,893	3,330	2,351,375	296,599	389,342	390,896	
10. Florida	FL	YES R	21,054,690	120,283,773	1,388,742	11,869,249	141,425,147	7,077,621	9,700,689	6,473,044	
11. Georgia	GA	YES R	2,416,300	30,629,759	1,357,008	1,862,511	34,110,483	3,211,528	3,837,957	2,072,750	
12. Hawaii	HI	YES AI	11,293,348	291,275		154,032	11,432,910	319,968	1,907,478	2,092,384	
13. Idaho	ID	YES AI	104,776	4,753,731		37,843	4,814,484	122,883	57,270	6,788	
14. Illinois	IL	YES R	953,300	9,485,840	111,333	104,613	10,464,510	990,345	1,211,777	1,062,236	
15. Indiana	IN	YES R	407,244	2,087,611	163,074	41,604	2,659,770	1,339,807	96,027	1,524,409	
16. Iowa	IA	NO O	36,679		71,648	4,315	112,356	145,946	110,431	64,411	
17. Kansas	KS	YES AI	290,242	2,067,114		4,952	2,336,117	20,651	(12,965)	146,940	
18. Kentucky	KY	YES R	546,570	325,856	537,859	9,150	1,404,760	148,798	(13,143)	65,848	
19. Louisiana	LA	YES R	358,520	11,043,357	355,141	39,527	11,691,517	637,957	644,204	190,423	
20. Maine	ME	YES R	136,767	288,758		11,133	421,616	54,752	66,906	12,684	
21. Maryland	MD	YES R	773,680	23,142,555	61,317	910,072	23,744,016	2,552,299	2,402,656	1,290,833	
22. Massachusetts	MA	YES R	2,830,618	16,989,764	14,268	1,398,495	19,446,170	2,144,152	1,976,272	1,351,104	
23. Michigan	MI	YES AI	6,671,869	25,077,450	89,320	4,259,318	31,376,631	5,310,739	5,865,956	5,016,586	
24. Minnesota	MN	YES R	164,313	5,847,518	10,993	7,797	5,972,683	3,999,086	5,660,575	2,506,005	
25. Mississippi	MS	YES R	277,350	1,493,493	515,258	11,232	2,284,427	245,697	276,227	184,371	
26. Missouri	MO	YES R	850,838	5,215,537	87,569	31,086	6,140,754	1,407,230	1,978,002	2,529,430	
27. Montana	MT	YES AI	227,607	1,133,309		6,818	1,348,414	128,380	141,882	117,969	
28. Nebraska	NE	YES AI	19,368	1,729,874		1,370	1,733,174	382,419	221,046	1,130,283	
29. Nevada	NV	YES AI	568,903	3,996,920	10,663,202	12,552	15,425,188	1,278,630	1,587,384	2,080,591	
30. New Hampshire	NH	YES R	40,499	763,892		16,693	797,035	110,882	91,552	78,244	
31. New Jersey	NJ	YES R	16,019,974	34,283,970	315,930	5,445,836	50,183,241	3,205,750	3,607,945	4,967,867	
32. New Mexico	NM	YES AI	13,407,110	6,517,176	58,275	4,827,195	19,799,627	792,101	666,748	691,626	
33. New York	NY	YES O	65,349,635	75,450,351	243,390	33,682,845	139,619,814	8,160,557	8,597,724	6,963,529	
34. No. Carolina	NC	YES R	10,172,201	2,142,080	263,320	274,190	12,471,987	1,925,804	2,504,908	1,862,397	
35. No. Dakota	ND	YES R	6,514	242,277		2,856	246,505	1,550	3,980	4,989	
36. Ohio	OH	YES R	2,334,258	8,146,110	451,240	111,369	10,863,509	1,137,370	1,351,349	2,089,982	
37. Oklahoma	OK	YES R	80,512	3,246,334	803,228	1,218	4,093,696	301,868	(460,922)	31,358	
38. Oregon	OR	YES AI	1,085,648	3,180,736	27,690,109	16,061	31,608,089	452,632	572,613	419,692	
39. Pennsylvania	PA	YES O	4,781,547	35,864,596	154,953	3,801,586	40,478,872	2,348,958	2,142,981	1,395,047	
40. Rhode Island	RI	YES R	334,325	1,825,085		5,144	2,139,655	144,094	227,701	137,791	
41. So. Carolina	SC	YES R	327,189	9,706,204	316,349	207,299	10,260,164	632,672	520,704	455,221	
42. So. Dakota	SD	YES AI	29,140			3,464	28,872				
43. Tennessee	TN	YES AI	1,187,178	9,490,497	1,526,905	926,241	12,112,235	515,284	(836,716)	1,070,841	
44. Texas	TX	YES AI	36,403,051	66,319,966	46,931,292	12,110,219	145,679,731	5,592,548	6,601,662	4,885,547	
45. Utah	UT	YES AI	595,825	20,622,079	186,853	42,824	21,208,863	890,467	854,608	1,652,423	
46. Vermont	VT	YES R	2,859	136,042		1,505	137,626	258,209	202,878	902,528	
47. Virginia	VA	YES R	1,178,444	26,330,018	604,262	3,014,030	28,039,462	1,641,866	2,887,264	2,343,287	
48. Washington	WA	YES AI	1,622,013	928,297	16,039,053	41,948	18,468,244	1,020,724	1,397,967	2,261,116	
49. West Virginia	WV	YES R	99,096	1,590,089	8,697	6,322	2,259,234	59,730	109,506	154,228	
50. Wisconsin	WI	YES AI	132,758	1,621,056	14,689	15,272	1,184,794	175,310	5,869	57,285	
51. Wyoming	WY	YES AI	47,935	285,384		2,200	330,257	12,544	28,660	98,566	
52. American Samoa	AS	NO R									
53. Guam	GU	NO R									
54. Puerto Rico	PR	NO R	363,583				360,243	334,617	370,688	213,063	
55. U.S. Virgin Islands	VI	NO AI		245,872			243,614	16,319	46,598	67,008	
56. Northern Mariana Islands	MP	NO R									
57. Canada	CN	NO R									
58. Aggregate Other Alien	OT	X X X	X X X	6,392,857		183,224	6,336,926	108,584	(10,986)	19,830	
59. Totals	(a) 50	X X X		251,405,363	673,800,566	348,876,279	111,365,423	1,257,995,188	98,953,985	94,230,623	101,336,064

DETAILS OF WRITE-INS											
5801. Mexico		X X X		3,950,079			130,823	3,916,586	108,584	(11,115)	10,374
5802. Cayman Islands		X X X		305,100			620	302,297			
5803. Jamaica		X X X		37,381			3,500	37,038			
5898. Summary of remaining write-ins for Line 58 from overflow page		X X X	X X X	2,100,297			48,281	2,081,005		129	9,456
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		X X X	X X X	6,392,857			183,224	6,336,926	108,584	(10,986)	19,830

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

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

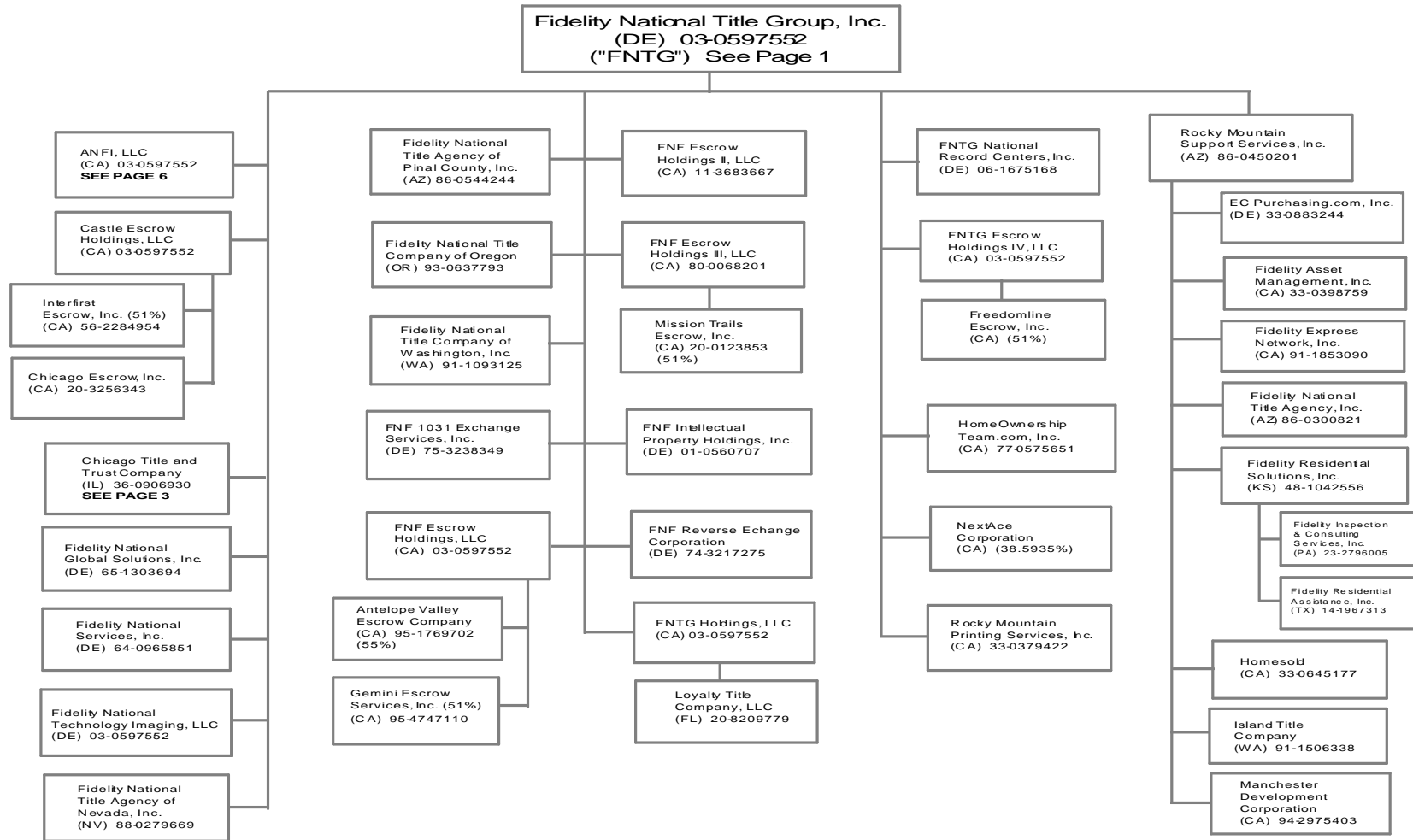
Page 1



Unless otherwise noted, all ownership is 100%.

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

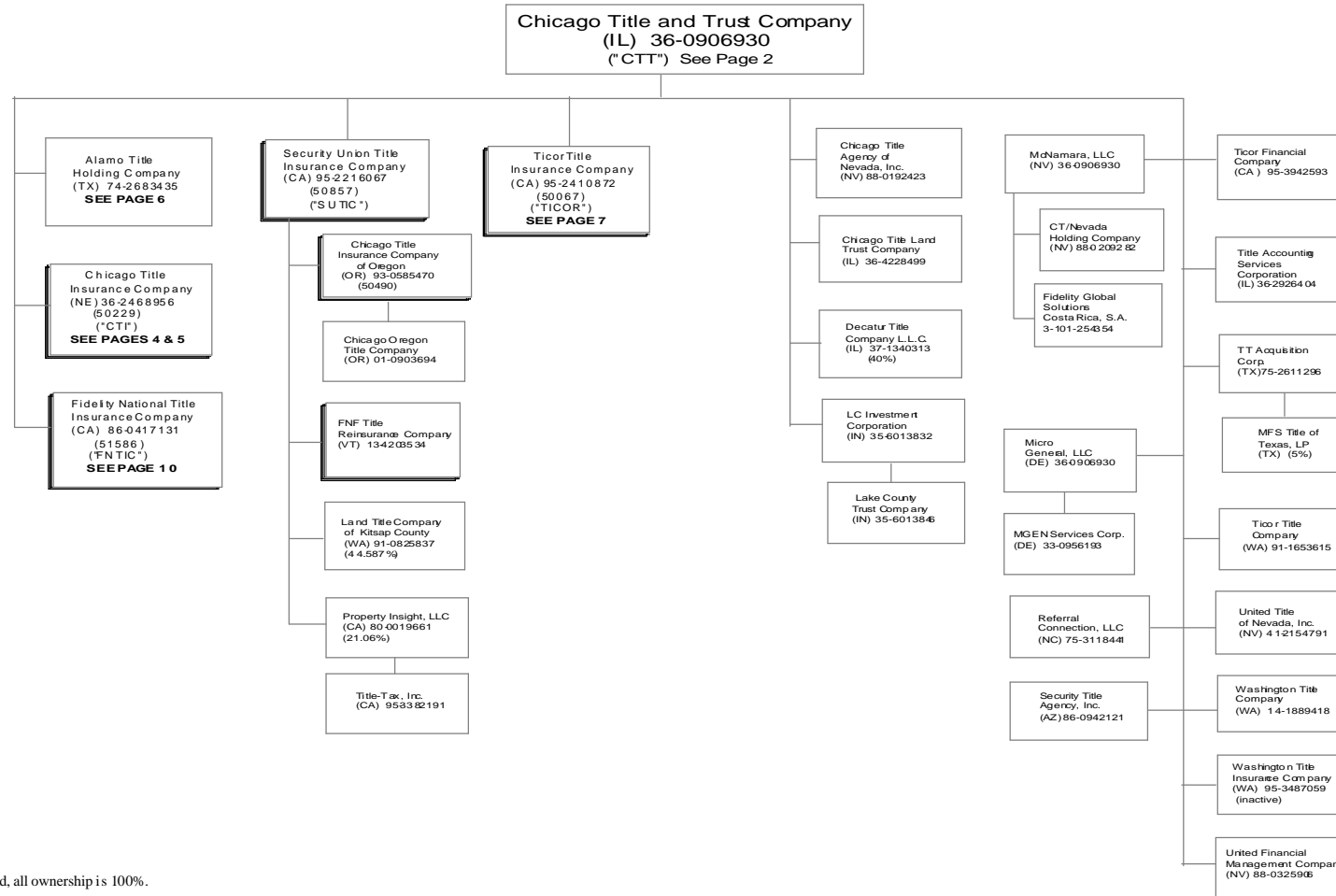
Page 2



Unless otherwise noted, all ownership is 100%.

53.1

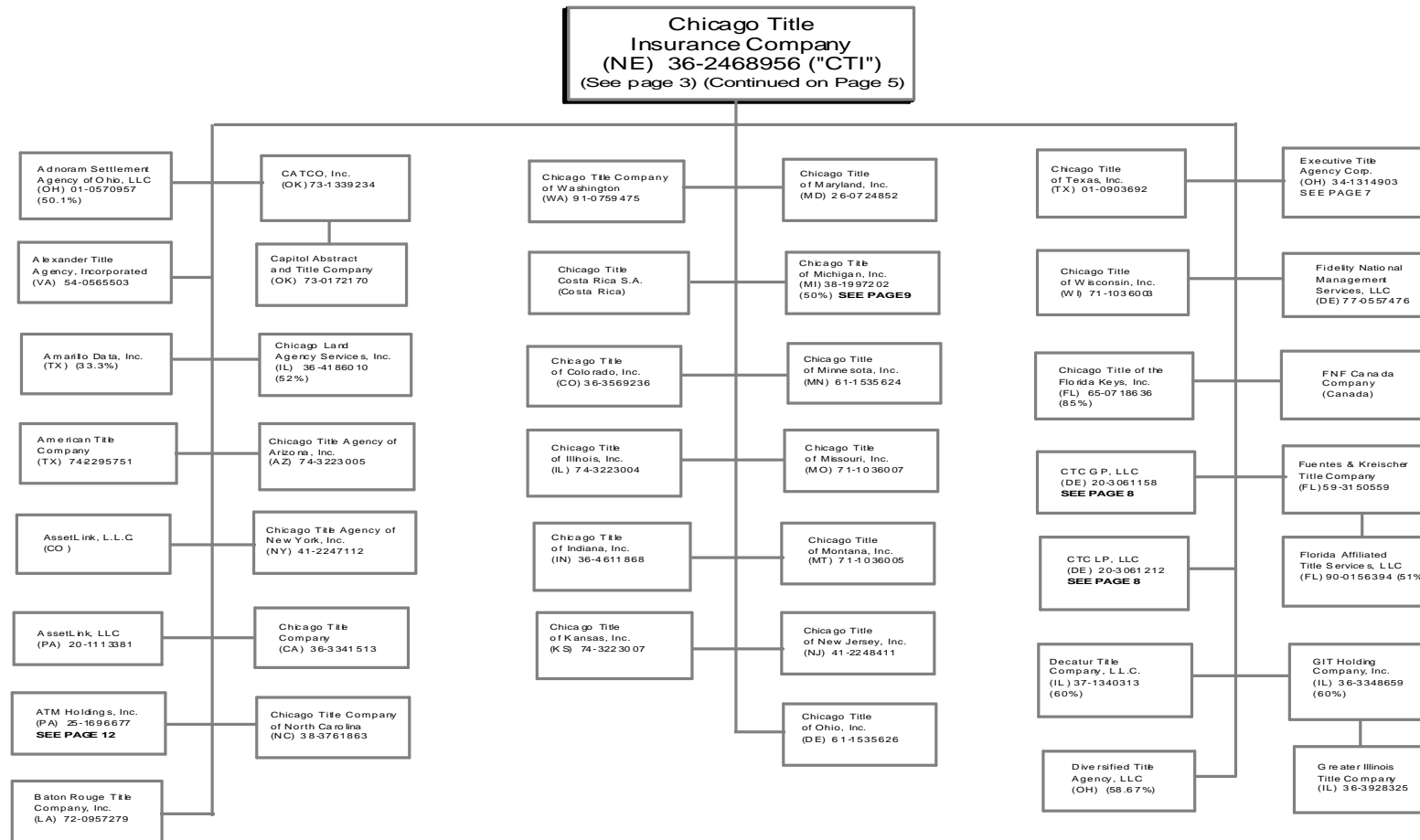
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



Unless otherwise noted, all ownership is 100%.

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

Page 4

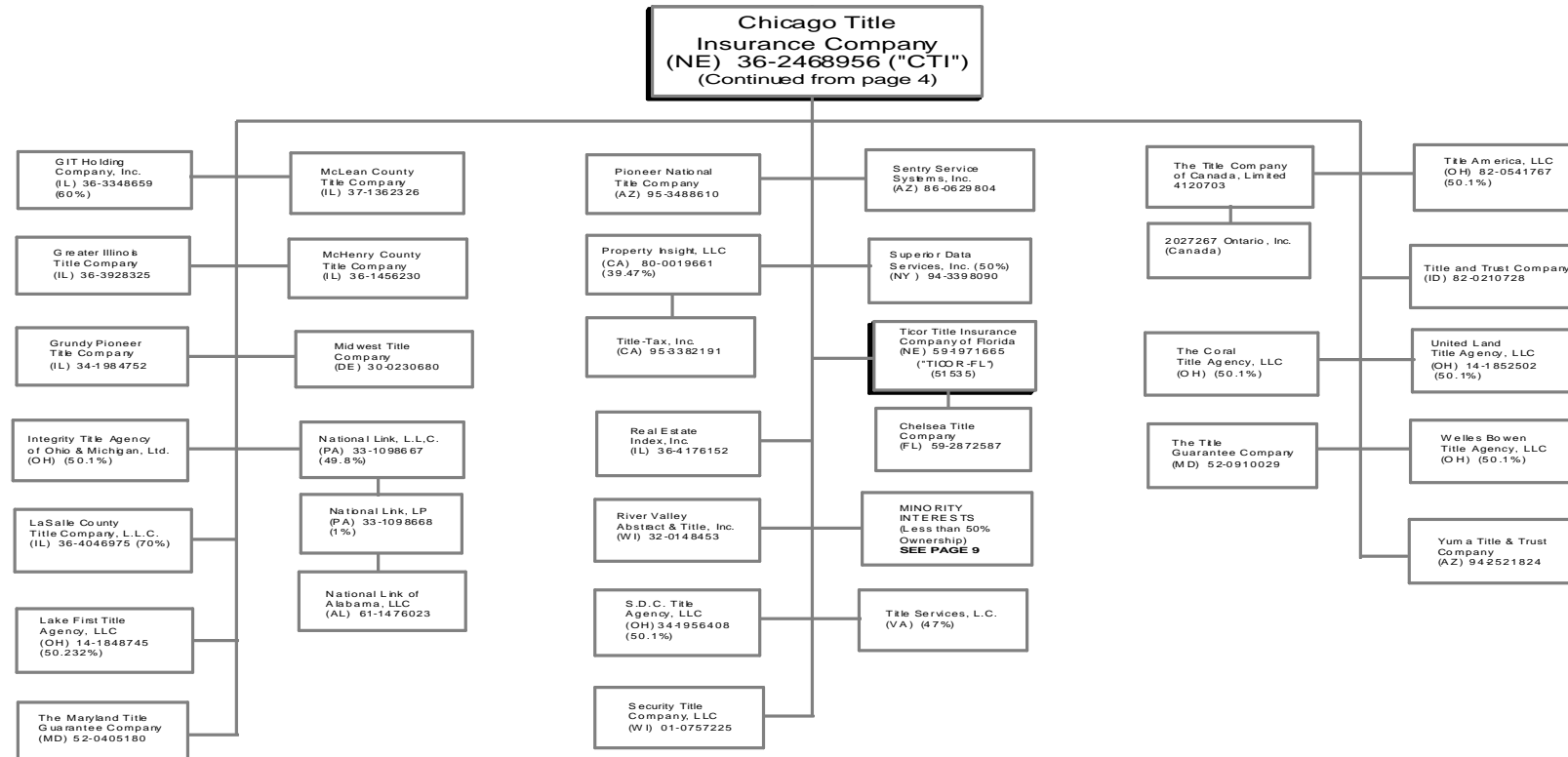


Unless otherwise noted, all ownership is 100%.

5
3
3

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

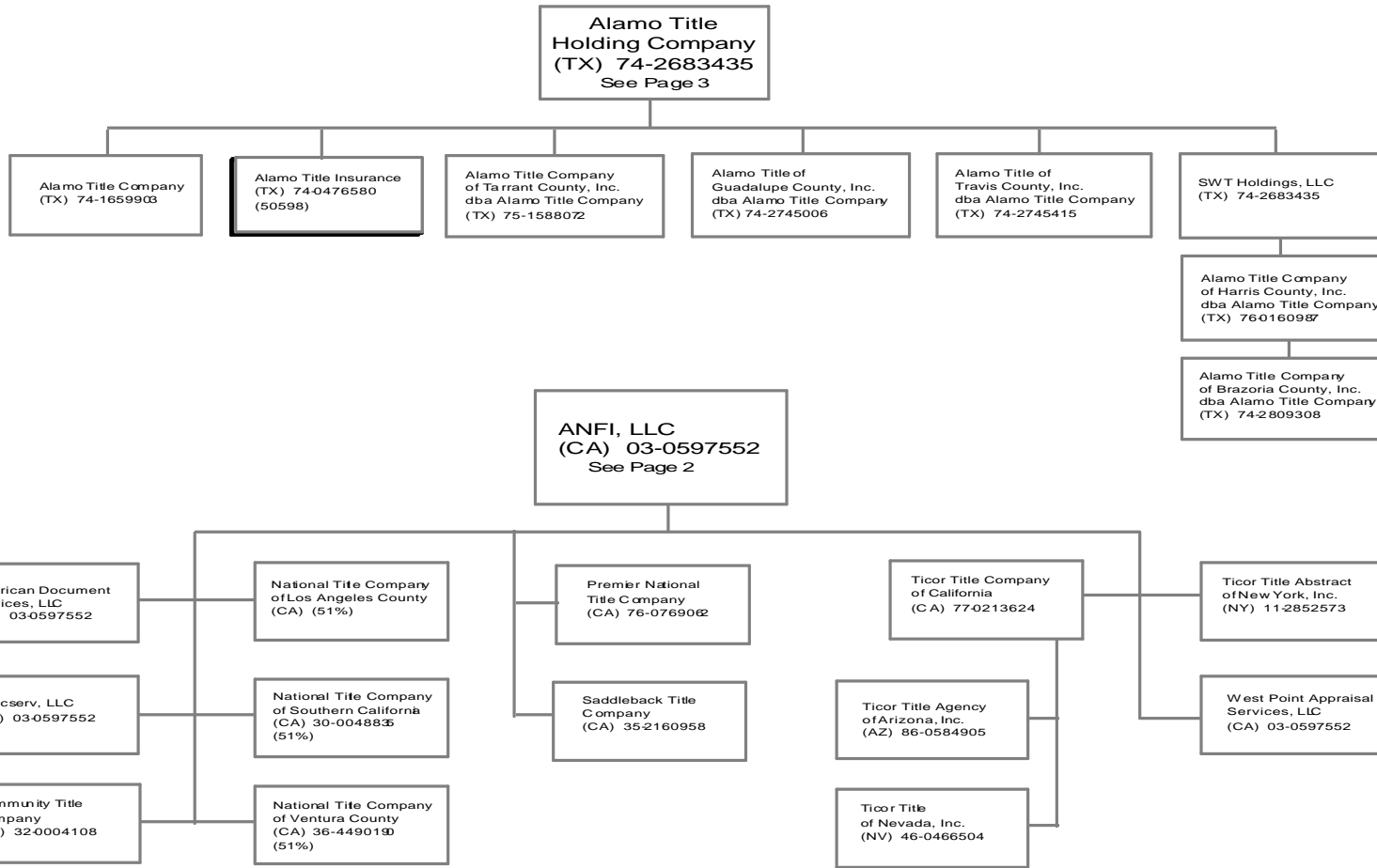
Page 5



53-4

Unless otherwise noted, all ownership is 100%.

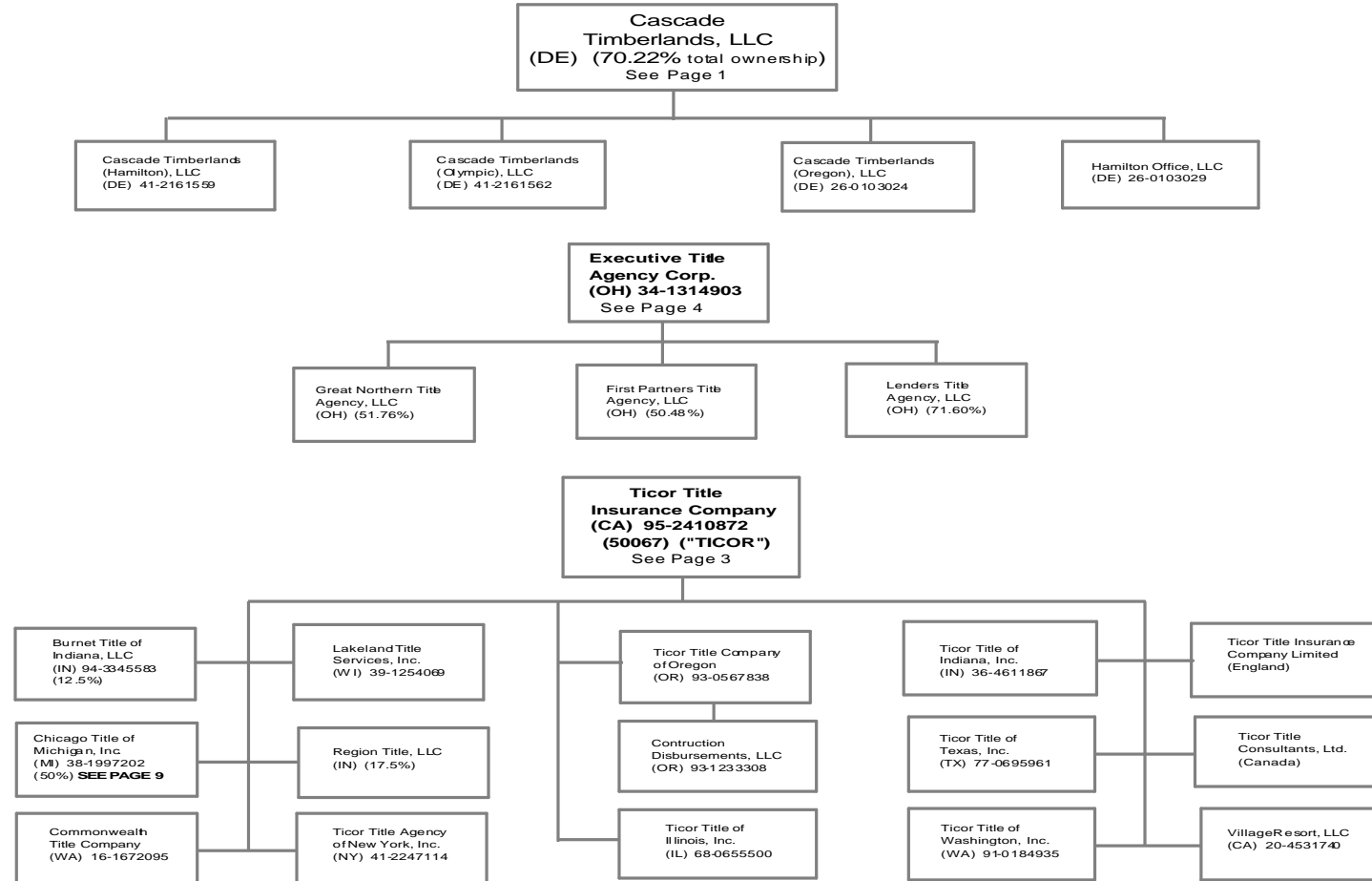
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



Unless otherwise noted, all ownership is 100%

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

Page 7

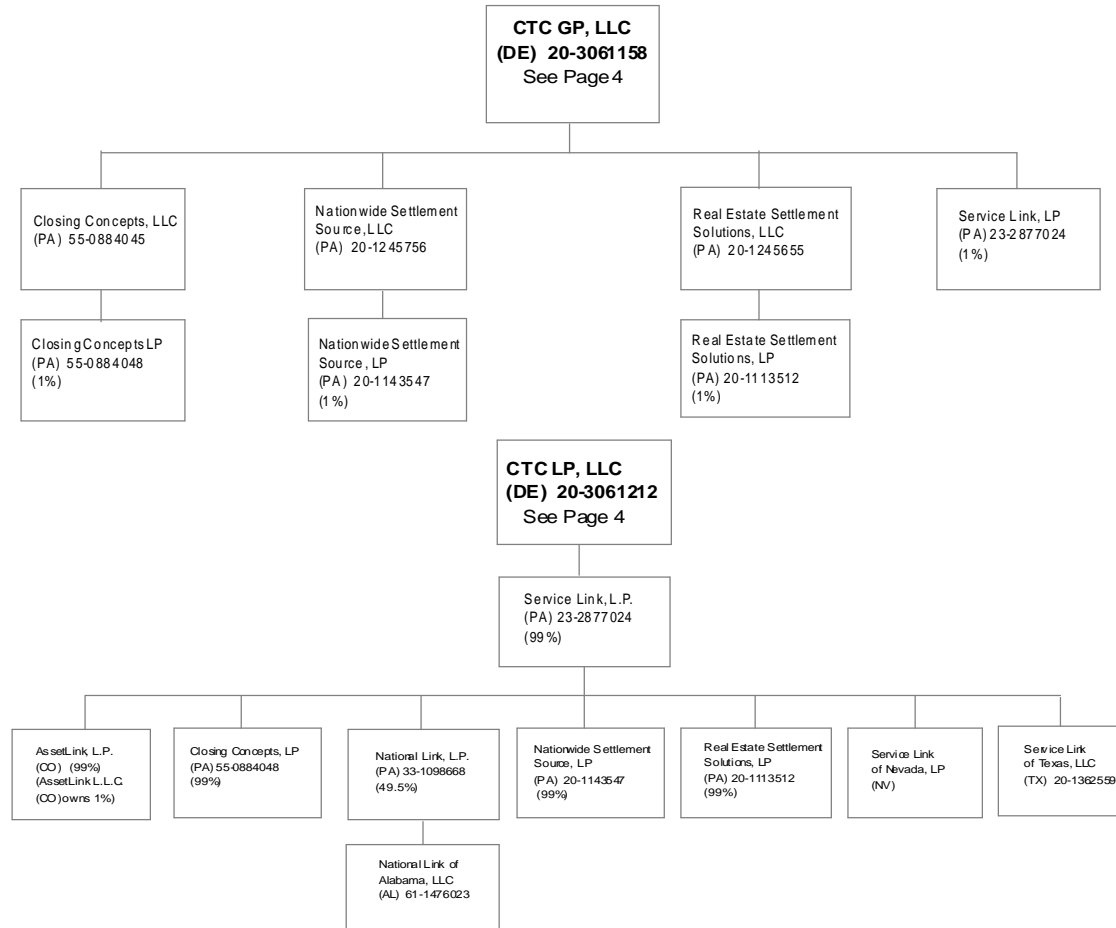


Unless otherwise noted, all ownership is 100%

539

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

Page 8

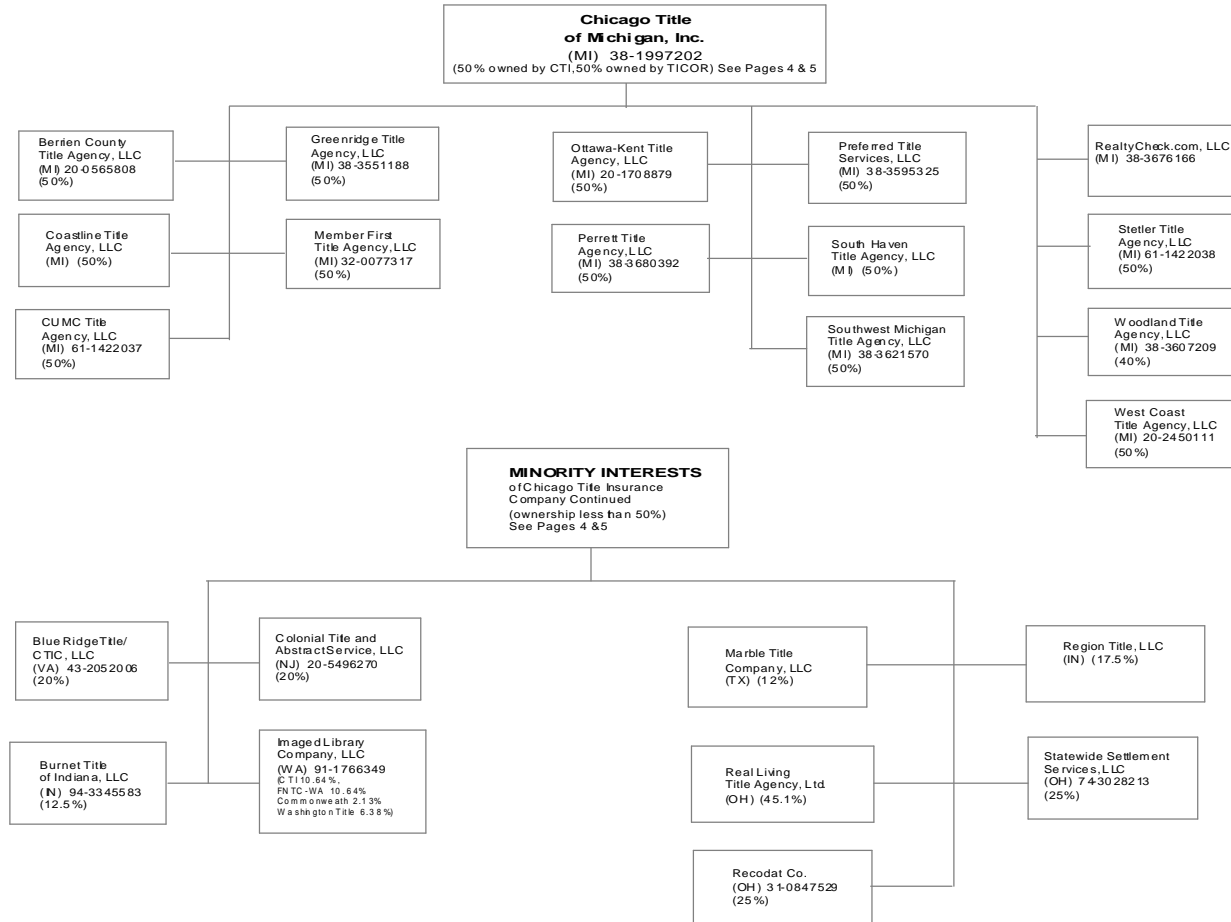


Unless otherwise noted, all ownership is 100%.

53 - 7

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

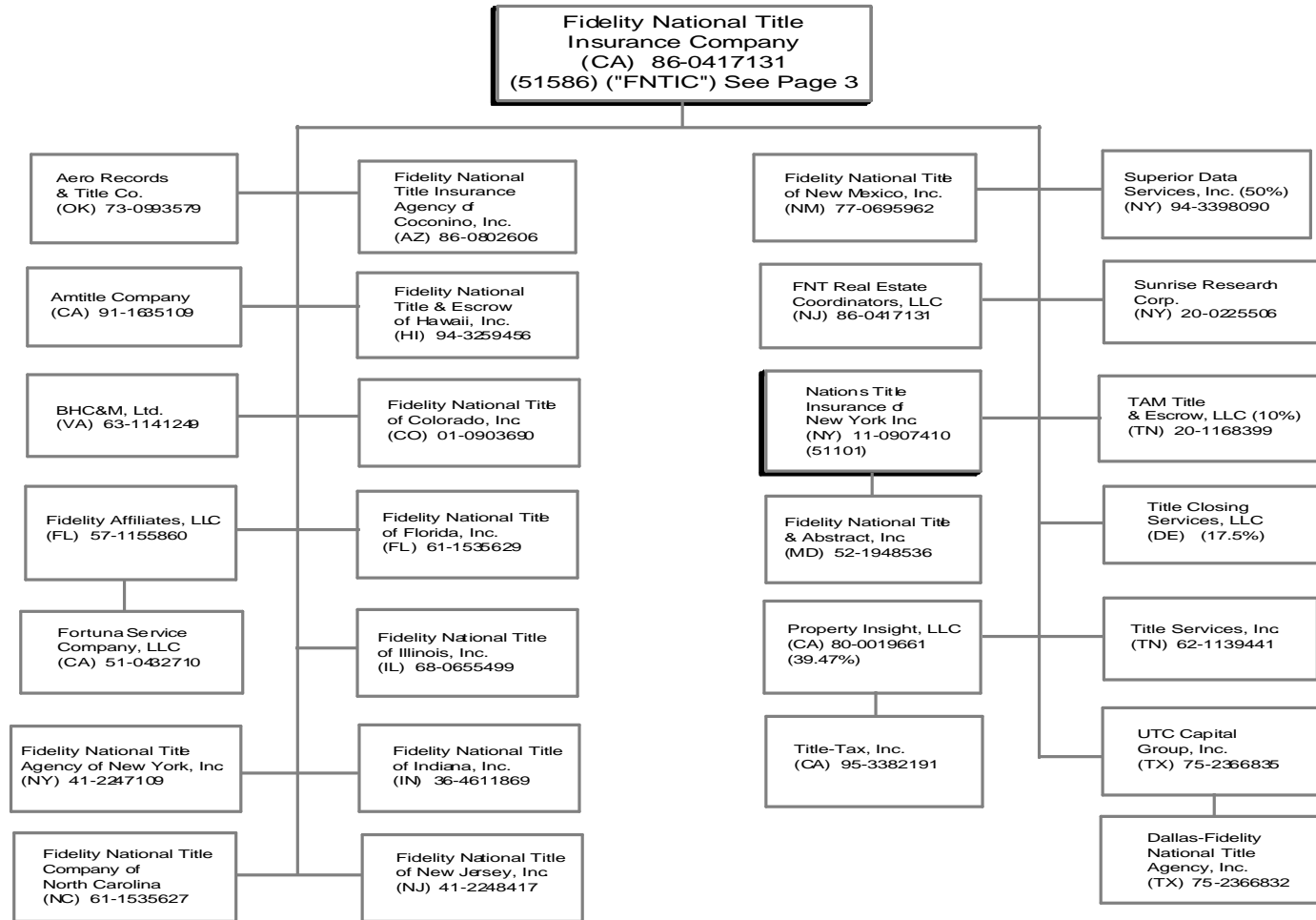
Page 9



Unless otherwise noted, all ownership is 100%.

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

Page 10

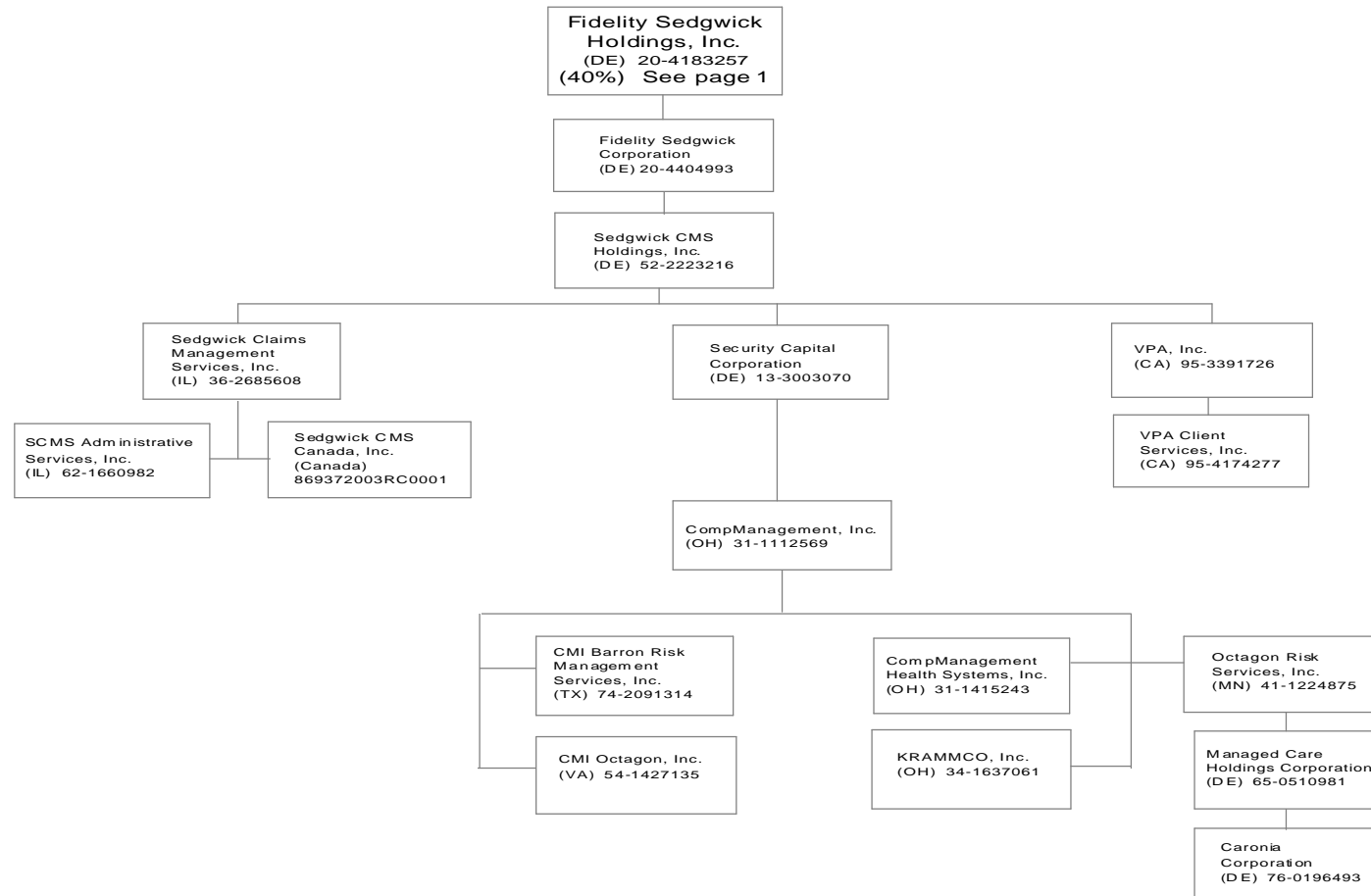


Unless otherwise noted, all ownership is 100%.

539

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

Page 11

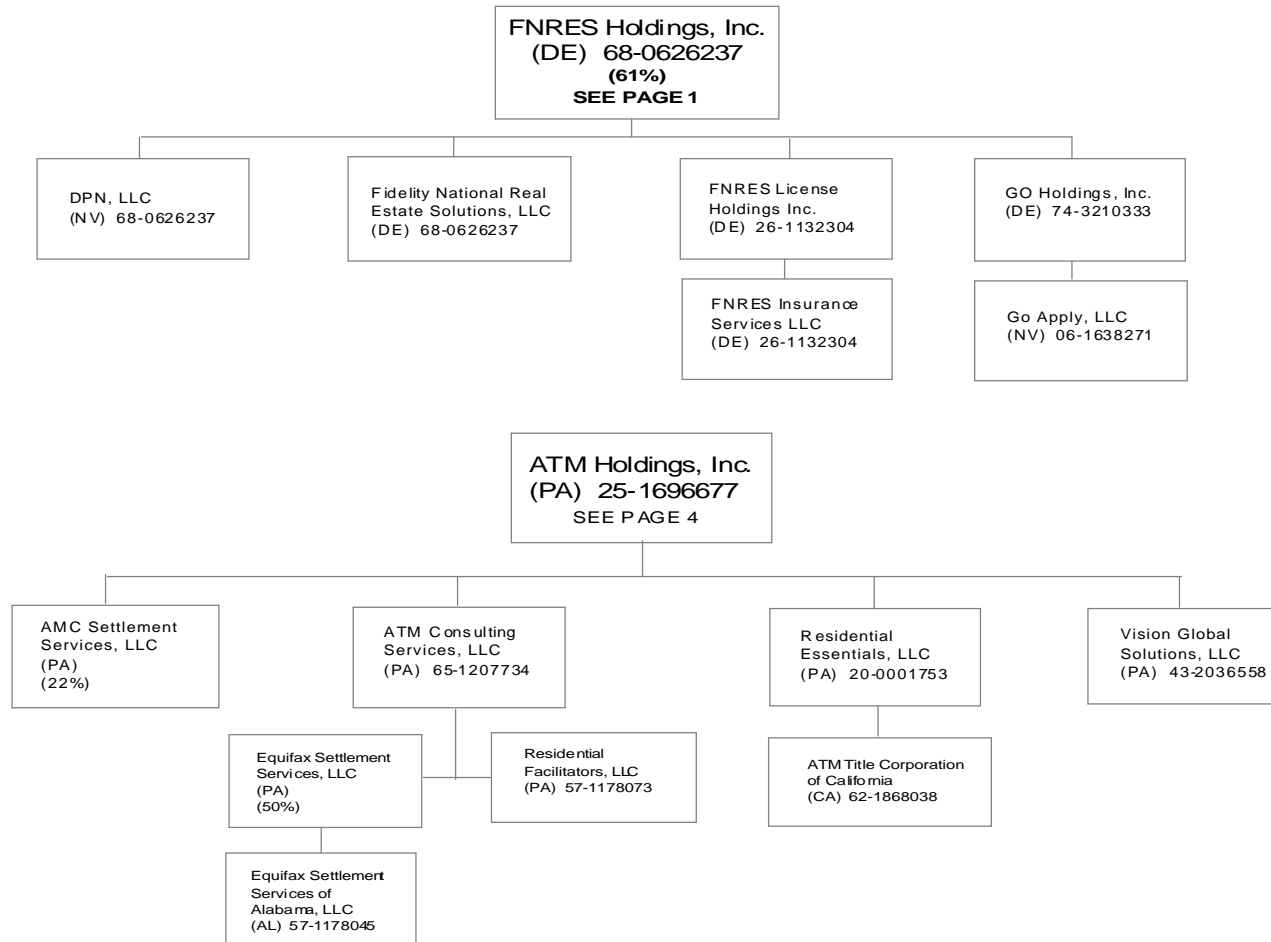


53 - 10

Unless otherwise noted, all ownership is 100%.

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

Page 12



53 - 11

Unless otherwise noted, all ownership is 100%.

OVERFLOW PAGE FOR WRITE-INS

OVERFLOW PAGE FOR WRITE-INS

**Page 9 - Continuation
OPERATIONS AND INVESTMENT EXHIBIT
PART 3 - EXPENSES**

	Title and Escrow Operating Expenses				5 Unallocated Loss Adjustment Expenses	6 Other Operations	7 Investment Expenses	Totals	
	1 Direct Operations	Agency Operations		4 Total (Cols. 1 + 2 + 3)				8 Current Year (Cols. 4 + 5 + 6 + 7)	9 Prior Year
		2 Non-affiliated Agency Operations	3 Affiliated Agency Operations						
REMAINING WRITE-INS AGGREGATED AT LINE 23 FOR MISCELLANEOUS EXPENSES									
2304. Moving and Storage	1,374,729	298,913		1,673,642				1,673,642	1,551,910
2305. Miscellaneous Expense	844,986	210,751	(179,699)	876,038	35,228			911,266	(249,283)
2306. Esrow Losses	(240,241)	(326)		(240,567)				(240,567)	1,567,119
2307.									
2308.									
2309.									
2310.									
2311.									
2312.									
2313.									
2314.									
2315.									
2316.									
2317.									
2318.									
2319.									
2320.									
2321.									
2322.									
2323.									
2324.									
2325.									
2397. Totals (Lines 2304 through 2325) (Page 9, Line 2398)	1,979,474	509,338	(179,699)	2,309,113	35,228			2,344,341	2,869,746

5 6

OVERFLOW PAGE FOR WRITE-INS

**Page 52 - Continuation
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

States, Etc.	2 Premium Rate (b)	Direct Premiums Written			6 Other Income	7 Direct Premiums Earned	8 Direct Losses Paid	9 Direct Losses Incurred	10 Direct Losses Unpaid
		3 Direct Operations	Agency Operations						
			4 Non-affiliated Agencies	5 Affiliated Agencies					

REMAINING WRITE-INS AGGREGATED AT LINE 58 FOR OTHER ALIEN

5804. West Indies		44,780				44,369			
5805. Bahamas		25,386				25,153		129	9,456
5806. Bermuda		346,600			25,000	343,416			
5807. Netherlands		27,278				27,027			
5808. Italy		225,275			7,282	223,206			
5809. Trinidad		1,031,250				1,021,777			
5810. Brazil		76,822				76,116			
5811. Saint Kitts		7,122				7,057			
5812. Scotland		34,909				34,588			
5813. England		102,921				101,976			
5814. Ireland		18,297				18,129			
5815. Australia		123,686			14,999	122,550			
5816. South Africa		35,971				35,641			
5817. Anguilla					1,000				
5818.									
5819.									
5820.									
5821.									
5822.									
5823.									
5824.									
5825.									
5897. Totals (Lines 5804 through 5825) (Page 52, Line 5898)		2,100,297			48,281	2,081,005		129	9,456

ALPHABETICAL INDEX TO TITLE ANNUAL STATEMENT

Assets	2	Schedule DB - Part B - Verification Between Years	28
Cash Flow	5	Schedule DB - Part C - Section 1	E19
Exhibit of Capital Gains (Losses)	11	Schedule DB - Part C - Section 2	E19
Exhibit of Net Investment Income	11	Schedule DB - Part C - Section 3	E20
Exhibit of Nonadmitted Assets	12	Schedule DB - Part C - Verification Between Years	29
Five-Year Historical Data	17	Schedule DB - Part D - Section 1	E20
General Interrogatories	15	Schedule DB - Part D - Section 2	E21
Jurat Page	1	Schedule DB - Part D - Section 3	E21
Liabilities, Surplus and Other Funds	3	Schedule DB - Part D - Verification Between Years	29
Notes to Financial Statements	13	Schedule DB - Part E - Section 1	E22
Operations and Investment Exhibit (Statement of Income)	4	Schedule DB - Part E - Verification	29
Operations and Investment Exhibit Part 1A	6	Schedule DB - Part F - Section 1	30
Operations and Investment Exhibit Part 1B	6	Schedule DB - Part F - Section 2	31
Operations and Investment Exhibit Part 1C	6	Schedule E - Part 1 - Cash	E23
Operations and Investment Exhibit Part 2A	7	Schedule E - Part 1A - Segreg. Funds Held For Others as Non-Int. Earning Cash Dep.	32
Operations and Investment Exhibit Part 2B	8	Schedule E - Part 1B - Segreg. Funds Held For Others as Int. Earning Cash Dep.	33
Operations and Investment Exhibit Part 3	9	Schedule E - Part 1C - Reinsurance Reserve Funds	34
Operations and Investment Exhibit Part 4	10	Schedule E - Part 1D - Summary	35
Overflow Page For Write-ins	56	Schedule E - Part 1E - Summary of Interest Earned	35
Schedule A - Part 1	E01	Schedule E - Part 1F - Funds on Deposit - Interrogatories	36
Schedule A - Part 2	E02	Schedule E - Part 2 - Cash Equivalents	E24
Schedule A - Part 3	E03	Schedule E - Part 3 - Special Deposits	E25
Schedule A - Verification Between Years	19	Schedule F - Part 1	37
Schedule B - Part 1	E04	Schedule F - Part 2	38
Schedule B - Part 2	E05	Schedule F - Part 3	39
Schedule B - Verification Between Years	19	Schedule H - Part 1	40
Schedule BA - Part 1	E06	Schedule H - Part 2	41
Schedule BA - Part 2	E07	Schedule H - Part 3	42
Schedule BA - Verification Between Years	19	Schedule H - Part 4	43
Schedule D - Part 1	E08	Schedule H - Verification Between Years	42
Schedule D - Part 1A - Section 1	21	Schedule P - Interrogatories	51
Schedule D - Part 1A - Section 2	24	Schedule P - Part 1 - Summary	44
Schedule D - Part 2 - Section 1	E09	Schedule P - Part 1A - Policies Written Directly	45
Schedule D - Part 2 - Section 2	E10	Schedule P - Part 1B - Policies Written Through Agents	46
Schedule D - Part 3	E11	Schedule P - Part 2 - Policy Year Incurred Loss and ALAE	47
Schedule D - Part 4	E12	Schedule P - Part 2A - Policy Year Paid Loss and ALAE	47
Schedule D - Part 5	E13	Schedule P - Part 2B - Policy Year Loss and ALAE Case Basis Reserves	48
Schedule D - Part 6 - Section 1	E14	Schedule P - Part 2C - Policy Year Bulk Reserves on Known Claims	48
Schedule D - Part 6 - Section 2	E14	Schedule P - Part 2D - Policy Year IBNR Reserves	49
Schedule D - Summary By Country	20	Schedule P - Part 3 - Incurred Loss and ALAE by Year of First Report	50
Schedule D - Verification Between Years	20	Schedule P - Part 3A - Paid Loss and ALAE by Year of First Report	50
Schedule DA - Part 1	E15	Schedule P - Part 3B - Loss and ALAE Case Basis Reserves by Yr. of First Report	50
Schedule DA - Part 2 - Verification Between Years	27	Schedule P - Part 3C - Bulk Reserves on Known Claims by Yr. of First Report	50
Schedule DB - Part A - Section 1	E16	Schedule T - Exhibit of Premiums Written	52
Schedule DB - Part A - Section 2	E16	Schedule Y - Info. Concerning Activities of Insurer Mbrs. of a Holding Co. Group	53
Schedule DB - Part A - Section 3	E17	Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	54
Schedule DB - Part A - Verification Between Years	28	Summary Investment Schedule	14
Schedule DB - Part B - Section 1	E17	Supplemental Exhibits and Schedules Interrogatories	55
Schedule DB - Part B - Section 2	E18		
Schedule DB - Part B - Section 3	E18		