

**ANNUAL STATEMENT**

**OF THE**

**MONROE TITLE INSURANCE CORPORATION**

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**of** \_\_\_\_\_ **ROCHESTER**

**in the state of** \_\_\_\_\_ **NEW YORK**

**TO THE**

**Insurance Department**

**OF THE**

**NEW YORK**

**FOR THE YEAR ENDED**

**December 31, 2008**

**TITLE**

**2008**



51063200820100010

# ANNUAL STATEMENT

For the Year Ended December 31, 2008  
OF THE CONDITION AND AFFAIRS OF THE

## Monroe Title Insurance Corporation

NAIC Group Code 0340 (Current Period)      0340 (Prior Period)      NAIC Company Code 51063      Employer's ID Number 16-0557455

Organized under the Laws of \_\_\_\_\_,      State of Domicile or Port of Entry New York

Country of Domicile \_\_\_\_\_

Incorporated/Organized: October 1, 1922      Commenced Business: April 1, 1923

Statutory Home Office: 47 West Main Street, Rochester, NY 14614  
(Street and Number)      (City or Town, State and Zip Code)

Main Administrative Office: 47 West Main Street  
(Street and Number)

Rochester, NY 14614      585-232-2070  
(City or Town, State and Zip Code)      (Area Code) (Telephone Number)

Mail Address: 47 West Main Street, Rochester, NY 14614  
(Street and Number or P.O. Box)      (City or Town, State and Zip Code)

Primary Location of Books and Records: 47 West Main Street, Rochester, NY 14614      585-232-2070  
(Street and Number)      (City or Town, State and Zip Code)      (Area Code) (Telephone Number)

Internet Website Address: www.monroetitle.com

Statutory Statement Contact: Scott D. Deverell      585-232-2070  
(Name)      (Area Code) (Telephone Number) (Extension)  
sdeverell@monroetitle.com      585-232-4988  
(E-Mail Address)      (Fax Number)

### OFFICERS

	Name	Title
1.	<u>Thomas A. Podsiadlo</u>	<u>President</u>
2.	<u>Barry C. Balonek</u>	<u>Secretary</u>
3.	<u>Christine F. Russell</u>	<u>Treasurer</u>

### VICE-PRESIDENTS

Name	Title	Name	Title
<u>Joseph W. Agnello</u>	<u>Vice President</u>	<u>Barry C. Balonek</u>	<u>Vice President</u>
<u>Lawrence M. Boyka</u>	<u>Vice President</u>	<u>Peter E. Bryant</u>	<u>Vice President</u>
<u>Norma E. Buck</u>	<u>Vice President</u>	<u>John P. Federowicz</u>	<u>Vice President</u>
<u>Michael P. Gorman</u>	<u>Vice President</u>	<u>Richard C. Greiner</u>	<u>Vice President</u>
<u>Katherine A. Colucci</u>	<u>Vice President</u>	<u>James B. Isaac</u>	<u>Vice President</u>
<u>Peter L. Iannini</u>	<u>Vice President</u>	<u>James J. Lacagnina</u>	<u>Vice President</u>
<u>Pamela J. Nestico</u>	<u>Vice President</u>	<u>Garrett R. Olin</u>	<u>Vice President</u>
<u>Joseph G. O'Mara</u>	<u>Vice President</u>	<u>John H. Schick</u>	<u>Vice President</u>
<u>Norma C. Redditt</u>	<u>Vice President</u>	<u>Jacquelyn I. Smith</u>	<u>Vice President</u>
<u>William C. Shelly</u>	<u>Vice President</u>	<u>Scott D. Deverell</u>	<u>Vice President</u>
<u>Ken Anderson</u>	<u>Vice President</u>		

### DIRECTORS OR TRUSTEES

<u>Barry C. Balonek</u>	<u>Thomas A. Podsiadlo</u>	<u>Malcolm Morris</u>	<u>John F. Welling</u>
<u>Julie A. Curlen</u>	<u>Michael Skalka</u>	<u>Kevin Reilly</u>	

State of New York

County of Monroe ss

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

_____ (Signature) Thomas A. Podsiadlo _____ (Printed Name) 1. President _____ (Title)	_____ (Signature) Barry C. Balonek _____ (Printed Name) 2. Secretary _____ (Title)	_____ (Signature) Christine F. Russell _____ (Printed Name) 3. Treasurer _____ (Title)
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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009

a. Is this an original filing?       Yes     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)	9,134,518		9,134,518	9,262,563
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	3,342,732		3,342,732	4,625,613
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	1,334,578		1,334,578	1,359,386
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 579,817, Schedule E - Part 1), cash equivalents (\$ 0, Schedule E - Part 2), and short-term investments (\$ 477,895, Schedule DA)	1,057,712		1,057,712	3,385,766
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets (Schedule BA)	244,893		244,893	246,706
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	15,114,433		15,114,433	18,880,034
11. Title plants less \$ 0 charged off (for Title insurers only)	740,811		740,811	799,949
12. Investment income due and accrued	102,766		102,766	106,775
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	1,166,236	532,742	633,494	686,139
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	1,825,293	1,759,738	65,555	197,221
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software	126,764	68,270	58,494	112,544
19. Furniture and equipment, including health care delivery assets (\$ 0)	161,450	161,450		
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	46,093		46,093	19,759
22. Health care (\$ 0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	153,048	153,048		
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	19,436,894	2,675,248	16,761,646	20,802,421
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	19,436,894	2,675,248	16,761,646	20,802,421

DETAILS OF WRITE-IN LINES				
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. Prepaid Expenses	153,048	153,048		
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	153,048	153,048		

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Known claims reserve (Part 2B, Line 3, Col. 4)	421,695	802,300
2. Statutory premium reserve (Part 1B, Line 2.5, Col. 1)	6,100,566	6,040,094
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)	438,213	523,293
7. Taxes, licenses and fees (excluding federal and foreign income taxes)	2,220	320
8.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	34,599	117,915
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	82,035	1,819,530
12. Unearned interest and real estate income received in advance		
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		
15. Provision for unauthorized reinsurance		
16. Net adjustments in assets and liabilities due to foreign exchange rates		
17. Drafts outstanding		
18. Payable to parent, subsidiaries and affiliates	58,745	98
19. Payable for securities		
20. Aggregate write-ins for other liabilities		
21. Total liabilities (Lines 1 through 20)	7,138,073	9,303,550
22. Aggregate write-ins for special surplus funds		
23. Common capital stock	250,000	250,000
24. Preferred capital stock		
25. Aggregate write-ins for other than special surplus funds		
26. Surplus notes		
27. Gross paid in and contributed surplus	610,139	610,139
28. Unassigned funds (surplus)	8,763,434	10,638,732
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)	9,623,573	11,498,871
31. Totals (Page 2, Line 26, Col. 3)	16,761,646	20,802,421

DETAILS OF WRITE-INS		
0301. ....		
0302. ....		
0303. ....		
0398. Summary of remaining write-ins for Line 03 from overflow page		
0399. Totals (Lines 0301 through 0303 plus 0398) (Line 03 above)		
2001. ....		
2002. ....		
2003. ....		
2098. Summary of remaining write-ins for Line 20 from overflow page		
2099. Totals (Lines 2001 through 2003 plus 2098) (Line 20 above)		
2201. ....		
2202. ....		
2203. ....		
2298. Summary of remaining write-ins for Line 22 from overflow page		
2299. Totals (Lines 2201 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 Current Year	2 Prior Year
<b>OPERATING INCOME</b>		
1. Title insurance and related income (Part 1):		
1.1 Title insurance premiums earned (Part 1B, Line 3, Col.1)	14,098,211	12,853,104
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)		
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)	6,567,546	6,581,075
2. Aggregate write-ins for other operating income	347,924	366,872
3. Total Operating Income (Lines 1 through 2)	21,013,681	19,801,051
<b>DEDUCT:</b>		
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)	318,911	577,627
5. Operating expenses incurred (Part 3, Line 24, Cols. 4 and 6)	20,906,504	19,752,264
6. Aggregate write-ins for other operating deductions		
7. Total Operating Deductions	21,225,415	20,329,891
8. Net operating gain or (loss) (Lines 3 minus 7)	(211,734)	(528,840)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	482,819	503,477
10. Net realized capital gains (losses) less capital gains tax of \$ 0 (Exhibit of Capital Gains (Losses))	(623,453)	327,125
11. Net investment gain (loss) (Lines 9 + 10)	(140,634)	830,602
<b>OTHER INCOME</b>		
12. Aggregate write-ins for miscellaneous income or (loss)		
13. Net income, after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12)	(352,368)	301,762
14. Federal and foreign income taxes incurred	(83,316)	(145,209)
15. Net income (Lines 13 minus 14)	(269,052)	446,971
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
16. Surplus as regards policyholders, December 31 prior year (Page 3, Line 30, Column 2)	11,498,870	13,957,721
17. Net income (from Line 15)	(269,052)	446,971
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	(1,742,934)	20,672
19. Change in net unrealized foreign exchange capital gain (loss)		
20. Change in net deferred income taxes	776,676	501,182
21. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	(854,420)	(427,676)
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		(3,000,000)
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	214,433	
31. Change in surplus as regards policyholders for the year (Lines 17 through 30)	(1,875,297)	(2,458,851)
32. Surplus as regards policyholders, December 31 current year (Lines 16 plus 31) (Page 3, Line 30)	9,623,573	11,498,870

DETAILS OF WRITE-IN LINES		
0201. Miscellaneous Income	85,220	114,775
0202. Other Abstract Fees	238,014	233,370
0203. Reinsurance fees reimbursed from agents	24,690	18,727
0298. Summary of remaining write-ins for Line 02 from overflow page		
0299. Totals (Lines 0201 through 0203 plus 0298) (Line 02 above)	347,924	366,872
0601. ....		
0602. ....		
0603. ....		
0698. Summary of remaining write-ins for Line 06 from overflow page		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)		
1201. ....		
1202. ....		
1203. ....		
1298. Summary of remaining write-ins for Line 12 from overflow page		
1299. Totals (Lines 1201 through 1203 plus 1298) (Line 12 above)		
3001. Prior period error in deferred tax calculation	214,433	
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)	214,433	

**CASH FLOW**

	1	2
<b>Cash from Operations</b>	Current Year	Prior Year
1. Premiums collected net of reinsurance	19,041,378	19,372,530
2. Net investment income	420,122	431,127
3. Miscellaneous income	380,237	358,213
4. Total (Lines 1 through 3)	19,841,737	20,161,870
5. Benefit and loss related payments	699,517	306,827
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	20,890,474	20,142,243
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)		(27,890)
10. Total (Lines 5 through 9)	21,589,991	20,421,180
11. Net cash from operations (Line 4 minus Line 10)	(1,748,254)	(259,310)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	650,840	1,980,281
12.2 Stocks	2,459,856	2,305,430
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets	150,000	132,000
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,260,696	4,417,711
13. Cost of investments acquired (long-term only):		
13.1 Bonds	528,056	1,747,677
13.2 Stocks	3,328,744	1,283,994
13.3 Mortgage loans		
13.4 Real estate	51,596	32,395
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	3,908,396	3,064,066
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(647,700)	1,353,645
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		(4,316)
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		3,000,000
16.6 Other cash provided (applied)	67,900	92,561
17. Net cash from financing and miscellaneous sources (Lines 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	67,900	(2,911,755)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(2,328,054)	(1,817,420)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	3,385,766	5,203,186
19.2 End of year (Line 18 plus Line 19.1)	1,057,712	3,385,766

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

20.0001		
20.0002		
20.0003		

## OPERATIONS AND INVESTMENT EXHIBIT

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

	1	Agency Operations		4	5
		2	3		
	Direct Operations	Non-Affiliated Agency Operations	Affiliated Agency Operations	Current Year Total (Cols. 1 + 2 + 3)	Prior Year Total
1. Direct premiums written	5,248,154	8,619,987	387,771	14,255,912	12,996,679
2. Escrow and settlement service charges		X X X	X X X		
3. Other title fees and service charges (Part 1C, Line 5)	6,567,546	X X X	X X X	6,567,546	6,581,075
4. Totals (Lines 1 + 2 + 3)	11,815,700	8,619,987	387,771	20,823,458	19,577,754

### PART 1B – PREMIUMS EARNED EXHIBIT

	1	2
	Current Year	Prior Year
1. Title premiums written:		
1.1 Direct (Part 1A, Line 1)	14,255,912	12,996,679
1.2 Assumed	963	16,558
1.3 Ceded	98,192	63,779
1.4 Net title premiums written (Lines 1.1 + 1.2 - 1.3)	14,158,683	12,949,458
2. Statutory premium reserve:		
2.1 Balance at December 31 prior year	6,040,094	5,943,742
2.2 Additions during the current year	597,339	642,337
2.3 Withdrawals during the current year	536,867	545,985
2.4 Other adjustments to statutory premium reserves		
2.5 Balance at December 31 current year	6,100,566	6,040,094
3. Net title premiums earned during year (Lines 1.4 - 2.2 + 2.3)	14,098,211	12,853,106

### PART 1C – OTHER TITLE FEES AND SERVICE CHARGES

	1	2
	Current Year	Prior Year
1. Title examinations		
2. Searches and abstracts	6,368,188	6,058,151
3. Surveys		
4. Aggregate write-ins for service charges	199,358	522,924
5. Totals	6,567,546	6,581,075

DETAILS OF WRITE-IN LINES			
0401. Other Title Fees		199,358	522,924
0402.			
0403.			
0498. Summary of remaining write-ins for Line 04 from overflow page			
0499. Total (Lines 0401 through 0403 plus 0498) (Line 04 above)		199,358	522,924

## 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	322,397	225,034	2,089	549,520	144,923
2. Losses and allocated loss adjustment expenses paid - reinsurance assumed, less salvage					
3. Total (Line 1 plus Line 2)	322,397	225,034	2,089	549,520	144,923
4. Deduct: Recovered during year from reinsurance					
5. Net payments (Line 3 minus Line 4)	322,397	225,034	2,089	549,520	144,923
6. Known claims reserve – current year (Page 3, Line 1, Column 1)	283,920	122,775	15,000	421,695	802,300
7. Known claims reserve – prior year (Page 3, Line 1, Column 2)	479,800	303,000	19,500	802,300	531,500
8. Losses and allocated Loss Adjustment Expenses incurred (Line 5 plus Line 6 minus Line 7)	126,517	44,809	(2,411)	168,915	415,723
9. Unallocated loss adjustment expenses incurred (Part 3, Line 24, Column 5)	88,003	61,993		149,996	161,905
10. Losses and loss adjustment expenses incurred (Line 8 plus Line 9)	214,520	106,802	(2,411)	318,911	577,628



## 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)	283,920	122,775	15,000	421,695	802,300
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)	283,920	122,775	15,000	421,695	802,300
4. Incurred But Not Reported:					
4.1 Direct (Schedule P, Part 1, Line 12, Col. 20)	589,000	391,000		980,000	870,000
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	589,000	391,000		980,000	870,000
5. Unallocated LAE reserve (Schedule P, Part 1, Line 12, Col. 23)	X X X	X X X	X X X	553,000	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	1,954,695	X X X
8. Statutory premium reserve at year end	X X X	X X X	X X X	6,100,566	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	2,888,256			2,888,256	110,862	3,776,602	80,000	6,855,720	7,007,144
1.2 Employee relations and welfare	271,667			271,667	10,532	355,224	8,000	645,423	657,068
1.3 Payroll taxes	223,741			223,741	8,869	292,558	6,400	531,568	538,158
1.4 Other personnel costs	60,082			60,082	2,946	78,561	5,600	147,189	166,173
1.5 Total personnel costs	3,443,746			3,443,746	133,209	4,502,945	100,000	8,179,900	8,368,543
2. Amounts paid to or retained by title agents	100,287	6,918,992	299,828	7,319,107				7,319,107	6,120,596
3. Production services (purchased outside):									
3.1 Searches, examinations and abstracts	2,109,171			2,109,171				2,109,171	2,144,609
3.2 Surveys									
3.3 Other	231,684			231,684		302,943		534,627	352,544
4. Advertising	34,020			34,020	62	44,484		78,566	110,570
5. Boards, bureaus and associations	7,608			7,608		9,948		17,556	17,599
6. Title plant rent and maintenance									
7. Claim adjustment services									
8. Amounts charged off, net of recoveries							(8,875)	(8,875)	73,635
9. Marketing and promotional expenses	43,572			43,572			56,973	100,545	114,423
10. Insurance	27,413			27,413	1,478	35,845		64,736	59,130
11. Directors' fees									
12. Travel and travel items	86,616			86,616	4,072	113,256		203,944	217,910
13. Rent and rent items	248,312			248,312	474	324,686		573,472	572,746
14. Equipment	212,033			212,033	179	277,249		489,461	465,257
15. Cost or depreciation of EDP equipment and software	34,884			34,884	15	45,613		80,512	127,340
16. Printing, stationery, books and periodicals	74,224			74,224	8,625	97,053		179,902	236,698
17. Postage, telephone, messengers and express	251,506			251,506	1,183	328,863		581,552	558,022
18. Legal and auditing	93,633			93,633		122,432	63,116	279,181	168,411
19. Totals (Lines 1.5 to 18)	6,998,709	6,918,992	299,828	14,217,529	149,297	6,253,415	163,116	20,783,357	19,708,033
20. Taxes, licenses and fees:									
20.1 State and local insurance taxes	109,031	172,400	7,755	289,186				289,186	261,326
20.2 Insurance department licenses and fees	53,097			53,097	330	69,428		122,855	81,863
20.3 Gross guaranty association assessments									
20.4 All other (excluding federal income and real estate)									
20.5 Total taxes, licenses and fees (Lines 20.1 + 20.2 + 20.3 + 20.4)	162,128	172,400	7,755	342,283	330	69,428		412,041	343,189
21. Real estate expenses							384,684	384,684	391,560
22. Real estate taxes							99,115	99,115	96,894
23. Aggregate write-ins for miscellaneous expenses	10,336			10,336	369	13,513		24,218	26,389
24. Total expenses incurred (Lines 19 + 20.5 + 21 + 22 + 23)	7,171,173	7,091,392	307,583	14,570,148	149,996	6,336,356	646,915	(a) 21,703,415	20,566,065
25. Less unpaid expenses - current year	984,921			984,921		1,287,855		2,272,776	3,994,240
26. Add unpaid expenses - prior year	1,730,928			1,730,928		2,263,312		3,994,240	4,770,350
27. TOTAL EXPENSES PAID (Lines 24 - 25 + 26)	7,917,180	7,091,392	307,583	15,316,155	149,996	7,311,813	646,915	23,424,879	21,342,175

DETAILS OF WRITE-IN LINES									
2301. Miscellaneous	488			488	369	636		1,493	14,439
2302. Bank Fees	9,848			9,848		12,877		22,725	11,950
2303.									
2398. Summary of remaining write-ins for Line 23 from overflow page									
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	10,336			10,336	369	13,513		24,218	26,389

(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	Agency Operations		4	5	Totals	
		2	3			6	7
	Direct Operations	Non-affiliated Agency Operations	Affiliated Agency Operations	Total (Cols. 1 + 2 + 3)	Other Operations	Current Year (Cols. 4 + 5)	Prior Year
1. Title insurance and related income (Part 1):							
1.1 Title insurance premiums earned (Part 1B, Line 3, Col. 1)	5,288,788	8,422,526	386,897	14,098,211		14,098,211	12,853,104
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4)							
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4)					6,567,546	6,567,546	6,581,075
2. Aggregate write-ins for other operating income	13,211	24,690		37,901	310,024	347,925	366,873
3. Total Operating Income (Lines 1.1 through 1.3 + 2)	5,301,999	8,447,216	386,897	14,136,112	6,877,570	21,013,682	19,801,052
DEDUCT:							
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col. 4)	214,520	106,802	(2,411)	318,911		318,911	577,628
5. Operating expenses incurred (Part 3, Line 24, Cols. 1 to 3 + 6)	7,171,173	7,091,392	307,583	14,570,148	6,336,356	20,906,504	19,752,262
6. Aggregate write-ins for other operating deductions							
7. Total Operating Deductions (Lines 4 + 5 + 6)	7,385,693	7,198,194	305,172	14,889,059	6,336,356	21,225,415	20,329,890
8. Net operating gain or (loss) (Lines 3 minus 7)	(2,083,694)	1,249,022	81,725	(752,947)	541,214	(211,733)	(528,838)

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DETAILS OF WRITE-IN LINES							
0201. Miscellaneous Income	13,211	24,690		37,901	72,010	109,911	133,503
0202. Other Abstract Fees					238,014	238,014	233,370
0203.							
0298. Summary of remaining write-ins for Line 02 from overflow page							
0299. Total (Lines 0201 through 0203 plus 0298) (Line 02 above)	13,211	24,690		37,901	310,024	347,925	366,873
0601.							
0602.							
0603.							
0698. Summary of remaining write-ins for Line 06 from overflow page							
0699. Total (Lines 0601 through 0603 plus 0698) (Line 06 above)							

### EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 401,607	395,844
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	94,906	94,906
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d) 524,758	524,758
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 49,576	46,253
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	145,264	145,264
10. Total gross investment income	1,216,111	1,207,025
11. Investment expenses		(g) 646,915
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 888
14. Depreciation on real estate and other invested assets		(i) 76,403
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		724,206
17. Net investment income (Line 10 minus Line 16)		482,819

DETAILS OF WRITE-IN LINES		
0901. Subsidiary Income	148,188	148,188
0902. Gain/Loss on Sale of Assets	(2,924)	(2,924)
0903.		
0998. Summary of remaining write-ins for Line 09 from overflow page		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)	145,264	145,264
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 \$ 0 accrual of discount less \$ 5,080 amortization of premium and less \$ 0 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 \$ 423,000 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					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	48,059	(671,512)	(623,453)	(1,742,934)	
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	48,059	(671,512)	(623,453)	(1,742,934)	

DETAILS OF WRITE-IN LINES					
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)					

## EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 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			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2), and short-term investments (Schedule DA)			
6. Contract loans			
7. Other invested assets (Schedule BA)			
8. Receivables for securities			
9. Aggregate write-ins for invested assets			
10. Subtotals, cash and invested assets (Lines 1 to 9)			
11. Title plants (for Title insurers only)			
12. Investment income due and accrued			
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	532,742	529,244	(3,498)
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	1,759,738	851,396	(908,342)
17. Guaranty funds receivable or on deposit			
18. Electronic data processing equipment and software	68,270	62,643	(5,627)
19. Furniture and equipment, including health care delivery assets	161,450	218,239	56,789
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	153,048	159,307	6,259
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	2,675,248	1,820,829	(854,419)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26. Total (Lines 24 and 25)	2,675,248	1,820,829	(854,419)

DETAILS OF WRITE-IN LINES			
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. Prepaid Expenses	153,048	159,307	6,259
2302.			
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page			
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	153,048	159,307	6,259

## NOTES TO FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Accounting Practices

The accompanying financial statements of Monroe Title Insurance Corporation (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the Insurance Department of the State of New York (the Department).

The Department recognizes statutory accounting practices prescribed or permitted by the state of New York (the State) for determining and reporting the financial condition and results of operations of a title insurance company and for determining its solvency under the New York State Insurance Law. The National Association of Insurance Commissioners' (the NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted, with certain exceptions, as a component of prescribed or permitted practices by the State. The State has adopted certain prescribed accounting practices, which differ from those found in NAIC SAP, in accordance with Regulation 172 of the New York State Insurance Law.

A reconciliation of the Company's net income and capital and surplus between the NAIC SAP and practices prescribed and permitted by the State as of and for the year ended December 31, 2008 is shown below:

	<u>Net Income</u>	<u>Capital And Surplus</u>
Balance, NYS Basis	\$ (269,052)	\$ 9,623,573
Amortization of title plant	99,210	1,750,306
Depreciation of EDP equipment	(4,060)	11,354
Release of statutory premium reserve	81,740	859,692
Balance, NAIC SAP Basis	<u>\$ (92,162)</u>	<u>\$ 12,244,925</u>

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

The preparation of the 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. Significant Accounting Policies

The Company uses the following accounting policies:

Revenue and Expense Recognition – Title Insurance premiums are recognized as revenue when policies become effective. Revenues from abstracts of title are recognized when services are rendered. Expenses incurred in operating the business, including such costs as personnel costs, amounts paid to title agents and production services are charged to operations as incurred. The Company assumed and ceded reinsurance with various title companies, on an individual basis, using standard facultative agreements provided by the American Land Title Association and also has, in effect, one excess reinsurance agreement wherein the Company cedes liability automatically under the terms of the treaty.

Investments in Bonds and Common Stock - Bonds are valued at their amortized cost. Common stocks, other than affiliates, are valued at market based on quoted market prices. A decline in the fair value of any investment below cost that is deemed other than temporary is charged to income, resulting in the establishment of a new cost basis for the security.

Investments in Real Estate - Recorded at cost and depreciated principally using accelerated depreciation methods over their estimated useful lives.

Investments in Subsidiaries – At December 31, 2008, the Company has ownership interest in two subsidiaries, Monroe-Tompkins-Watkins Title Agency, LLC (MTW - a 60% owned subsidiary) and Monroe-Gorman Title Agency, LLC (MGT - a 60% owned subsidiary). These investments are valued based on the equity method.

Cash and Short-term Investments - Cash and short-term investments include cash, cash equivalents and short-term money market accounts. These items are valued at cost.

Known Claims Reserve, Losses and Loss Adjustment Expenses - Claims arise from both title policies and abstracts of title. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports. Such liabilities are necessary based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be 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.

Statutory Premium Reserve – A statutory premium reserve is based on Section 6405 (a) (1) of the New York Insurance Law. Section 6405 (a)(1) requires the Company to reserve an amount equal to one dollar and fifty cents for each risk assumed

## NOTES TO FINANCIAL STATEMENTS

under a binder or policy of insurance or any certificate or agreement issued under either of them, plus one-eightieth of one percent of the face amount of insurance effected thereby and three percent of the gross fees and premiums received by it for guaranteed certificates of title, guaranteed searches and guaranteed abstracts of title. The reserve is subsequently reduced by 5% of the addition in the first year succeeding the year of addition, and 5% every year thereafter.

**Income Taxes** – The provision for federal income taxes incurred is based upon tax returns for the current year in accordance with the laws and regulations of the Internal Revenue Service. State franchise taxes are computed in accordance with New York State tax law.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS – None.

3. BUSINESS COMBINATIONS AND GOODWILL – None.

4. DISCONTINUED OPERATIONS – None.

5. INVESTMENTS

All of the Company's investments in bonds and common stocks are managed by independent third parties. The Company, in conjunction with the third party managers, continually reviews the performance of the investment portfolio. If an indicator of impairment exists for an individual security, the Company performs an extensive analysis containing both quantitative data and qualitative criteria to determine if the impairment is to be considered other than temporary. When the Company determines an impairment is other than temporary, and therefore that a write-down is required, it is recorded as a realized loss against current period earnings.

The determination of whether a decline in market value is other than temporary is necessarily a matter of judgment. The process to review for indicators of impairment and the method to compute the amount of impairment, including the receipt of new information, can dramatically change the decision about the valuation of an investment in a short period of time. Even if impairment indicators exist, no write-down may be required if the decline in value is determined to be temporary. During the year ended December 31, 2008, the Company wrote down certain of its common stock investments and recorded an impairment charge of \$677,249.

The Company invests in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements. Due to the inherent risk of investments, the Company cannot give assurance that there will not be impairments in the future should conditions change.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

The Company has no investments in joint ventures, partnerships or limited liability companies that exceed 10% of its admitted assets as of December 31, 2008. The Company did not recognize any impairment write down for its investments in joint ventures, partnerships and limited liability companies during the statement period.

7. INVESTMENT INCOME

All investment income due and accrued as of December 31, 2008 has been admitted as there are no amounts over 90 days past due.

8. DERIVATIVE INSTRUMENTS – None.

9. INCOME TAXES

The New York Department of Insurance has adopted SSAP #10 and reported in accordance with Regulation 172 of New York Insurance Law.

A. The net deferred tax asset/(liability) at December 31, 2008 and the change from the prior year are comprised of the following components:

	2008	2007	Change
(1) Total gross deferred tax assets	1,571,447	1,569,797	1,650
(2) Total deferred tax liabilities	(253,846)	521,180	775,026
(3) Net deferred tax asset	1,825,293	1,048,617	776,676
(4) Deferred tax assets nonadmitted in accordance with SSAP No. 10	(1,759,738)	(851,395)	(908,343)
(5) Admitted deferred tax asset	65,555	197,222	(131,667)

## NOTES TO FINANCIAL STATEMENTS

The change in deferred income taxes reported in surplus before consideration of nonadmitted assets is comprised of the following components:

	2008	2007	Change
(1) Net deferred tax asset	1,825,293	1,048,617	776,676
(2) Tax effect of unrealized gains and losses	253,846	(1,489,088)	1,742,934
(3) Net tax effect without unrealized gains and losses	1,571,447	2,537,705	(966,258)
(4) Change in deferred income tax			(966,258)

B. Unrecognized deferred tax liabilities.

- (1) There are no temporary differences for which deferred tax liabilities are not recognized.

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

	2008	2007
(1) Current year tax expense (benefit) (exclusive of items 2 and 3 below)	(79,889)	53,138
(2) Tax credits	-	-
(3) Federal income tax on net capital gains	-	(176,144)
(4) Prior year adjustment	(3,407)	(22,203)
(5) Current income taxes incurred	(83,316)	(145,209)

Deferred income tax assets and liabilities consist of the following major components:

	2008	2007
Deferred tax assets:		
(1) Discounting of Reserves	552,196	571,803
(2) Fixed Assets	80,919	140,258
(3) Other	938,332	857,736
(4) Total deferred tax assets	1,571,447	1,569,797
(5) Nonadmitted deferred tax assets	(1,759,738)	(851,395)
(6) Admitted deferred tax assets	(188,291)	718,402
Deferred tax liabilities:		
(7) Stock Unrealized gains	253,846	(521,180)
(8) Other	-	-
(9) Total deferred tax liabilities	253,846	(521,181)
(10) Net admitted deferred tax asset (liability)	65,555	197,222

D. The Company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before income taxes as follows:

	2008
(1) Income/(Loss) before taxes	(352,370)
(2) Income tax expense (benefit) at 35% statutory rate	(123,330)
(3) Increase (decrease) in tax resulting from:	
a. Dividends received deduction	(28,235)
b. Nondeductible expenses for meals, penalties and lobbying	17,691
c. Tax-exempt income	(117,763)
d. Deferred tax benefit on nonadmitted assets	-
e. Foreign income taxes	-
f. Federal income taxes on capital gains	-
g. Other	1,134,578
(4) Total income tax expected	882,942
(5) Current income taxes incurred (without tax on realized gains and losses)	(83,316)
(6) Change in deferred income tax (without tax on unrealized gains and losses)	966,258
(7) Total income tax reported	882,942



## NOTES TO FINANCIAL STATEMENTS

E. Operating loss carryforward.

(1) As of December 31, 2008, the Company had \$523,532 net operating loss carryforward after carryback to 2006 and 2007. It will expire in 2009.

(2) The amount of federal income taxes incurred and available for recoupment in the event of future net losses is \$0 due to 2008 NOL carryback.

F. Consolidated federal income tax return.

Effective with the merger date, February 3, 2006, the Company's federal income tax return is consolidated with Stewart Information Services Corporation and other subsidiaries listed on the attached schedule.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

All outstanding shares are owned by Stewart Title Insurance Company, a title underwriter domiciled in the State of New York.

At December 31, 2008, the Company had two operating subsidiaries, MTW and MGT. The Company's ownership interest in the LLC's MTW and MGT totaling \$244,893 is recorded as an Other Invested Asset. All of the subsidiaries operate as agents for the Company. The Company has agreed to provide its subsidiaries with administrative services and support for a fee in an amount equal to the Company's 'fully absorbed costs' for providing such service. At December 31, 2008, the Company reported \$39,409 as amounts due from subsidiaries.

The Company has no guarantees or undertakings for the benefit of an affiliate which could result in a material contingent exposure of the Company's assets.

11. DEBT – None.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. None

B. Defined Contribution Plan - Profit Sharing Plan

The Company participates in the Stewart defined contribution benefit plan. Under this plan, all employees and its participating subsidiaries that have completed three months of service are eligible to participate. In general, the participants may elect to defer on a tax-free basis, in accordance with Section 401(k) of the Internal Revenue Code, a specified percentage of their compensation. Contributions by participants whose compensation is in the highly compensated group of all employees are subject to certain additional limitations under Section 401(k) of the Internal Revenue Code.

The Company makes matching contributions up to \$2,500 per year per participant in an amount equal to 50% of the first 6% of the participants' compensation. Such percentage is subject to an annual re-determination of the Stewart Board of Directors.

C. None

D. None.

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

1. As of December 31, 2008, the Company has common stock of 3,000,000 shares authorized, 200,000 shares issued and outstanding. The par value per share is \$1.25.

2. As of December 31, 2008, the Company has 250,000 shares of preferred stock authorized and none issued and outstanding.

3. Under New York State law, the Company cannot pay a dividend to shareholders in excess of certain limits without the approval from the New York State Insurance Commissioner. The Company shall not declare or pay any cash or property dividend to shareholders which, together with all such dividends declared or paid by it during the next preceding twelve months, exceeds 10% of its then outstanding capital shares unless, after deducting such dividends, it has surplus to policyholders at least equal to 50% of its reinsurance reserve (statutory premium reserve) or a surplus at least equal to 50% of the minimum capital required of such insurer to transact the business of title insurance whichever shall be greater. In addition, dividends may be paid only out of earned surplus, surplus not attributable to contributions made to surplus within five years next preceding or to appreciation in value of investments not sold or otherwise disposed of. Surplus as regards to policyholders as of December 31, 2007 was \$9,623,573.

The portion of unassigned surplus funds represented by each item below is as follows:

Unrealized capital gains – net	\$	
		(1,742,934)
Nonadmitted values – net		(854,420)
Provision for reinsurance – net		(60,471)

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**NOTES TO FINANCIAL STATEMENTS**

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14. CONTINGENCIES

The Company is subject to various legal proceedings and claims incidental to its normal business activities. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. At December 31, 2008, the Company has no reserves committed to cover any contingent liabilities.

15. LEASES

The Company occupies certain offices and uses certain equipment under operating lease agreements expiring at various dates. Some of these leases include the option to renew. During 2008, rent expense recognized by the Company totaled approximately \$573,472. At December 31, 2008, the minimum annual rental commitments under all leases are \$166,636 for 2009, \$78,703 for 2010, \$60,854 for 2011, \$52,781 for 2012 and \$45,643 for 2013. The Company leases certain office space to unrelated third parties; the income received for such leases is not a material part of the Company's business activities in terms of revenue, net income or assets.

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 – None.18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS – None.19. DIRECT PREMIUMS WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS – None.20. OTHER ITEMS – At December 31, 2008, the Company holds \$6,798,264 in segregated escrow bank accounts pending the closing of real estate transactions. This results in a contingent liability to the Company. These accounts are excluded from the financial statements of admitted assets, liabilities and surplus as regards to policyholders.21. EVENTS SUBSEQUENT - None.22. REINSURANCE – None.23. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION – 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 decreased by \$380,605 from \$802,300 at December 31, 2007 to \$421,695 at December 31, 2008 as a result of a decrease in the number and amount of unpaid losses and loss adjustment expenses. This decrease is generally the result of payments of previously reported claims. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

25. INTERCOMPANY POOLING ARRANGEMENTS – None.26. STRUCTURED SETTLEMENTS – None.27. SUPPLEMENTAL RESERVE – None.

# 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 [ ] No [X]
- 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 [ ] No [ ] N/A [X]
- 1.3 State Regulating? \_\_\_\_\_
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. \_\_\_\_\_ 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. \_\_\_\_\_ 12/31/2001 \_\_\_\_\_
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). \_\_\_\_\_ 05/15/2003 \_\_\_\_\_
- 3.4 By what department or departments?  
 State of New York Insurance Department  
 .....  
 .....  
 .....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ ] No [ ] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]
- 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]

## GENERAL INTERROGATORIES

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.

\_\_\_\_\_

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.

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

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?

Bonadio and Co., LLP 171 Sullys Trail Pittsford, NY 14534

.....  
 .....

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?

Paul Struzziari, Milliman, Inc. 1325 Franklin Avenue, Suite 555, Garden City, NY 11530; Actuary associated with an actuarial consulting firm.

.....  
 .....

11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [ ] No [X]

11.11 Name of real estate holding company

\_\_\_\_\_

11.12 Number of parcels involved

\_\_\_\_\_

11.13 Total book/adjusted carrying value

\$ \_\_\_\_\_

11.2 If yes, provide explanation:

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

## GENERAL INTERROGATORIES

**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 [ ] N/A [X]

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 [ ] No [X]

13.21 If the response to 13.2 is yes, provide information related to amendment(s).

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

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	\$ _____
18.12 To stockholders not officers	\$ _____
18.13 Trustees, supreme or grand (Fraternal only)	\$ _____

## GENERAL INTERROGATORIES

- 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              |  | \$ _____ |
| 18.22 To stockholders not officers                |  | \$ _____ |
| 18.23 Trustees, supreme or grand (Fraternal only) |  | \$ _____ |
- 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   |  | \$ _____ |
| 19.22 Borrowed from others |  | \$ _____ |
| 19.23 Leased from others   |  | \$ _____ |
| 19.24 Other                |  | \$ _____ |
- 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 |  | \$ _____ |
| 20.22 Amount paid as expenses                  |  | \$ _____ |
| 20.23 Other amounts paid                       |  | \$ _____ |
- 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: \$ \_\_\_\_\_ 5,700

## 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 (other than securities lending programs addressed in 22.3)? Yes [X] No [ ]
- 22.2 If no, give full and complete information relating thereto:
- .....
- .....
- .....
- .....
- 22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 16 where this information is also provided)
- .....
- .....
- .....
- .....
- 22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [X]
- 22.5 If answer to 22.4 is yes, report amount of collateral. \$ \_\_\_\_\_
- 22.6 If answer to 22.4 is no, report amount of collateral. \$ \_\_\_\_\_
- 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 and 22.3.) Yes [ ] No [X]
- 23.2 If yes, state the amount thereof at December 31 of the current year:
- |  |  |          |
|--|--|----------|
| 23.21 Subject to repurchase agreements                 |  | \$ _____ |
| 23.22 Subject to reverse repurchase agreements         |  | \$ _____ |
| 23.23 Subject to dollar repurchase agreements          |  | \$ _____ |
| 23.24 Subject to reverse dollar repurchase agreements  |  | \$ _____ |
| 23.25 Pledged as collateral                            |  | \$ _____ |
| 23.26 Placed under option agreements                   |  | \$ _____ |
| 23.27 Letter stock or securities restricted as to sale |  | \$ _____ |
| 23.28 On deposit with state or other regulatory body   |  | \$ _____ |
| 23.29 Other  |  | \$ _____ |

## GENERAL INTERROGATORIES

23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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. \$ \_\_\_\_\_

26. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F – 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
Bank of America	1 East Avenue, 4th Floor, Rochester, NY 14604
HSBC Bank	One HSBC Plaza, Rochester, NY 14639

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]

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

1 Central Registration Depository Number(s)	2 Name(s)	3 Address
DTC 955	Bank of America	1 East Avenue, 4th Floor, Rochester, NY 14604
DTC 2165	HSBC Bank	One HSBC Plaza, Rochester, NY 14639

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 [X]

## GENERAL INTERROGATORIES

27.2 If yes, complete the following schedule:

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

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

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	9,134,518	9,137,665	3,147
28.2 Preferred stocks			
28.3 Totals	9,134,518	9,137,665	3,147

28.4 Describe the sources or methods utilized in determining the fair values:

Bond market values were obtained by our investment advisors, Bank of America and HSBC. ....

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? \$ 140,410

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
NYS Superintendent of Insurance	57,833
Title Insurance Rate Service Agency	50,146

31.1 Amount of payments for legal expenses, if any? \$ 6,393

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
Dominic Sarna, Esq.	3,000
Harter, Secrest & Emery LLP	1,996



## GENERAL INTERROGATORIES

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

\$ \_\_\_\_\_

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

## GENERAL INTERROGATORIES

### PART 2 – TITLE INTERROGATORIES

1. Did any persons while an officer, director, trustee, or employee receive directly or indirectly, during the period covered by this statement, any compensation in addition to his/her regular compensation on account of the reinsurance transactions of the reporting entity? Yes [ ] No [X]
2. Largest net aggregate amount insured in any one risk. \$ 8,000,000
- 3.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk or portion thereof, reinsured? Yes [ ] No [X]
- 3.2 If yes, give full information  
 .....  
 .....  
 .....
4. If the reporting entity has assumed risk from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ]
- 5.1 Has this reporting entity guaranteed policies issued by any other entity and now in force? Yes [ ] No [X]
- 5.2 If yes, give full information  
 .....  
 .....  
 .....
6. Uncompleted building construction loans:
- |                               |  |          |
|-------------------------------|--|----------|
| 6.1 Amount already loaned     |  | \$ _____ |
| 6.2 Balance to be advanced    |  | \$ _____ |
| 6.3 Total amount to be loaned |  | \$ _____ |
- 7.1 Does the reporting entity issue bonds secured by certificates of participation in building construction loans prior to the completion of the buildings? Yes [ ] No [X]
- 7.2 If yes, give total amount of such bonds or certificates of participation issued and outstanding. \$ \_\_\_\_\_
8. What is the aggregate amount of mortgage loans owned by the reporting entity that consist of co-ordinate interest in first liens? \$ \_\_\_\_\_
- 9.1 Reporting entity assets listed on Page 2 include the following segregated assets of the Statutory Premium Reserve or other similar statutory reserves:
- |                                       |  |                     |
|---------------------------------------|--|---------------------|
| 9.11 Bonds                            |  | \$ <u>6,109,085</u> |
| 9.12 Short-term investments           |  | \$ <u>252,107</u>   |
| 9.13 Mortgages                        |  | \$ _____            |
| 9.14 Cash                             |  | \$ _____            |
| 9.15 Other admissible invested assets |  | \$ _____            |
| 9.16 Total                            |  | \$ <u>6,361,192</u> |
- 9.2 List below segregate funds held for others by the reporting entity, set apart in special accounts and excluded from entity assets and liabilities. (These funds are also included in Schedule E – Part 1D Summary, and the "From Separate Accounts, Segregated Accounts and Protected Cell Accounts" line on Page 2 except for escrow funds held by Title insurers).
- |   |  |                     |
|---|--|---------------------|
| 9.21 Custodial funds not included in this statement were held pursuant to the governing agreements of custody in the amount of: |  | \$ <u>6,798,264</u> |
| These funds consist of:   |  |                     |
| 9.22 In cash on deposit   |  | \$ <u>6,798,264</u> |
| 9.23 Other forms of security  |  | \$ _____            |

**FIVE – YEAR HISTORICAL DATA**

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

	1	2	3	4	5
	2008	2007	2006	2005	2004
<b>Source of Direct Title Premiums Written (Part 1A)</b>					
1. Direct operations (Part 1A, Line 1, Col. 1)	5,248,154	5,556,612	6,083,958	6,163,407	7,123,563
2. Non-affiliated agency operations (Part 1A, Line 1, Col. 2)	8,619,987	7,075,703	7,074,015	8,205,083	8,432,197
3. Affiliated agency operations (Part 1A, Line 1, Col. 3)	387,771	364,364	656,702	866,724	792,026
4. Total	14,255,912	12,996,679	13,814,675	15,235,214	16,347,786
<b>Operating Income Summary (Page 4 &amp; Part 1)</b>					
5. Premiums earned (Part 1B, Line 3)	14,098,211	12,853,106	13,560,716	14,977,897	16,010,429
6. Escrow and settlement service charges (Part 1A, Line 2)					
7. Title examinations (Part 1C, Line 1)					
8. Searches and abstracts (Part 1C, Line 2)	6,368,188	6,058,151	5,670,534	5,959,772	6,427,021
9. Surveys (Part 1C, Line 3)					
10. Aggregate write-ins for service charges (Part 1C, Line 4)	199,358	522,924	627,234	272,365	213,667
11. Aggregate write-ins for other operating income (Page 4, Line 2)	347,924	366,872	241,206	305,746	312,810
12. Total operating income (Page 4, Line 3)	21,013,681	19,801,053	20,099,690	21,515,780	22,963,927
<b>Statement of Income (Page 4)</b>					
13. Net operating gain or (loss) (Line 8)	(211,734)	(528,840)	(585,716)	381,774	837,252
14. Net investment gain or (loss) (Line 11)	(140,634)	830,602	946,270	706,525	596,332
15. Total other income (Line 12)					
16. Federal and foreign income taxes incurred (Line 14)	(83,316)	(145,209)	(147,956)	184,630	259,423
17. Net income (Line 15)	(269,052)	446,971	508,510	903,669	1,174,161
<b>Balance Sheet (Pages 2 and 3)</b>					
18. Title insurance premiums and fees receivable (Page 2, Line 13, Col. 3)	633,494	686,139	643,330	724,731	725,733
19. Total admitted assets excluding segregated accounts (Page 2, Line 24, Col. 3)	16,761,646	20,802,421	23,468,973	22,169,007	22,005,520
20. Known claims reserve (Page 3, Line 1)	421,695	802,300	531,500	578,900	470,580
21. Statutory premium reserve (Page 3, Line 2)	6,100,566	6,040,094	5,943,742	5,836,725	5,684,024
22. Total liabilities (Page 3, Line 21)	7,138,073	9,303,550	9,511,252	9,517,186	10,246,490
23. Capital paid up (Page 3, Lines 23 + 24)	250,000	250,000	1	1,500,000	1,500,000
24. Surplus as regards policyholders (Page 3, Line 30)	9,623,573	11,498,871	13,957,721	12,651,821	11,759,030
<b>Cash Flow (Page 5)</b>					
25. Net cash from operations (Line 11)	(1,748,254)	(259,310)	674,234	797,283	1,080,646
<b>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</b>					
26. Bonds (Line 1)	60.4	49.1	44.2	44.1	42.6
27. Stocks (Lines 2.1 & 2.2)	22.1	24.5	23.9	30.1	34.4
28. Mortgage loans on real estate (Line 3.1 and 3.2)					
29. Real estate (Lines 4.1, 4.2 & 4.3)	8.8	7.2	6.5	6.4	6.5
30. Cash, cash equivalents and short-term investments (Line 5)	7.0	17.9	24.3	16.3	13.1
31. Contract loans (Line 6)					
32. Other invested assets (Line 7)	1.6	1.3	1.0	3.2	3.4
33. Receivable for securities (Line 8)					
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
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
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)				38,548	38,596
39. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
40. Affiliated mortgage loans on real estate					
41. All other affiliated	244,893	246,706	224,126	655,453	691,879
42. Total of above Lines 36 to 41	244,893	246,706	224,126	694,001	730,475
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)	2.5	2.1	1.6	5.5	6.2

**FIVE – YEAR HISTORICAL DATA**

(Continued)

	1	2	3	4	5
	2008	2007	2006	2005	2004
<b>Capital and Surplus Accounts (Page 4)</b>					
44. Net unrealized capital gains or (losses) (Line 18)	(1,742,934)	20,672	18,414	107,194	306,381
45. Change in nonadmitted assets (Line 21)	(854,420)	(427,676)	(248,870)	87,248	198,199
46. Dividends to stockholders (Line 28)		(3,000,000)		(173,427)	(867,292)
47. Change in surplus as regards policyholders for the year (Line 31)	(1,875,297)	(2,458,851)	1,305,900	892,791	896,950
<b>Losses Paid and Incurred (Part 2A)</b>					
48. Net payments (Line 5, Col. 4)	549,520	144,923	290,393	358,416	149,339
49. Losses and allocated LAE incurred (Line 8, Col. 4)	168,915	415,723	242,993	466,736	373,713
50. Unallocated LAE incurred (Line 9, Col. 4)	149,996	161,905	139,024	102,178	91,402
51. Losses and loss adjustment expenses incurred (Line 10, Col. 4)	318,911	577,628	382,017	568,914	465,115
<b>Operating Expenses to Total Operating Income (Part 3)(%)</b> (Line item divided by Page 4, Line 3 x 100.0)					
52. Personnel costs (Part 3, Line 1.5, Col. 4)	16.4	18.3	18.4	16.4	17.4
53. Amounts paid to or retained by title agents (Part 3, Line 2, Col. 4)	34.8	30.9	32.8	33.7	32.0
54. All other operating expenses (Part 3, Lines 24 minus 1.5 minus 2, Col. 4)	18.1	19.0	21.4	20.1	21.0
55. Total (Lines 52 to 54)	69.3	68.2	72.6	70.3	70.3
<b>Operating Percentages (Page 4)</b> (Line item divided by Page 4, Line 3 x 100.0)					
56. Losses and loss adjustment expenses incurred (Line 4)	1.5	2.9	1.9	2.6	2.0
57. Operating expenses incurred (Line 5)	99.5	99.8	101.0	95.6	94.3
58. Aggregate write-ins for other operating deductions (Line 6)					
59. Total operating deductions (Line 7)	101.0	102.7	102.9	98.2	96.4
60. Net operating gain or (loss) (Line 8)	(1.0)	(2.7)	(2.9)	1.8	3.6
<b>Other Percentages</b> (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)	2.3	4.5	2.8	3.8	2.9
62. Operating expenses incurred to net premiums written (Page 4, Line 5)	147.7	152.5	148.6	135.9	133.4

**NONE    Schedule E - Part 1A**

## SCHEDULE E – PART 1B – SEGREGATED FUNDS HELD FOR OTHERS AS INTEREST EARNING CASH DEPOSITS

Showing all Banks, Trust Companies, Savings and Loan and Building and Loan Associations in which interest earning deposits of segregated funds held for others were maintained by the Company at any time during the year and the balances, if any (according to reporting entity's records) on December 31, of the current year.

1 Depository	2 Rate of Interest	3 Interest Received During Year	4 Interest Earned During Year	5 Balance
OPEN DEPOSITORIES				
FEDERALLY INSURED DEPOSITORIES				
Bank of America Rochester, NY	0.000	58,730	58,730	935,122
HSBC Bank USA Rochester, NY	0.000	22,743	22,743	0
HSBC Bank USA Rochester, NY	0.000	11,756	11,756	0
HSBC Bank USA Rochester, NY	0.000	4,637	4,637	5,863,143
0199998 Deposits in ( ) depositories which do not exceed the allowable limit in any one depository	X X X	0	0	0
0199999 Total Federally Insured Depositories	X X X	97,866	97,866	6,798,265
NON-FEDERALLY INSURED DEPOSITORIES				
0299999 Total Non-Federally Insured Depositories	X X X	0	0	0
0399999 Total Open Depositories - Dec. 31st	X X X	97,866	97,866	6,798,265
SUSPENDED DEPOSITORIES				
0499999 Total Suspended Depositories - Dec. 31st	X X X	0	0	0
0599999 Grand Totals - All Depositories - Dec. 31st	X X X	97,866	97,866	6,798,265

1. Totals: Last day of January	8,131,867
2. February	7,706,898
3. March	6,169,027
4. April	4,940,077
5. May	1,855,122
6. June	1,426,239
7. July	1,243,995
8. August	2,932,210
9. September	3,202,796
10. October	2,549,370
11. November	1,507,458
12. December	6,798,264

**NONE    Schedule E - Part 1C**

**SCHEDULE E – PART 1D – SUMMARY**

<b>Segregated Funds Held for Others</b>			
Type	1 Non-Interest Earning	2 Interest Earning	3 Total (Cols. 1 + 2)
1. Open depositories		6,798,265	6,798,265
2. Suspended depositories			
3. Total segregated cash funds held for others (General Interrogatories-Part 2, Line 9.22)		6,798,265	6,798,265
4. Other forms of security held for others (General Interrogatories-Part 2, Line 9.23)			
5. Total all segregated funds held for others (General Interrogatories-Part 2, Line 9.21)		6,798,265	6,798,265
<b>Company Funds on Hand and on Deposit</b>			
<b>General Funds</b>			
6. Open depositories			576,483
7. Suspended depositories			
8. Total general funds			576,483
<b>Reinsurance Reserve Funds</b>			
9. Open depositories			
10. Suspended depositories			
11. Total reinsurance reserve funds			
<b>Total Company Funds</b>			
12. Open depositories			576,483
13. Suspended depositories			
14. Total company funds on deposit (Lines 8 & 11)			576,483
15. Company funds on hand			3,250
16. Total company funds on hand and on deposit			579,733

**SCHEDULE E – PART 1E – SUMMARY OF INTEREST EARNED**

Interest Earned On	1 Interest Earned By Company	2 Average Monthly Balance of Non-Earning Deposits	3 Average Monthly Balance of Earning Deposits
<b>Segregated Funds Held for Others</b>			
17. Open depositories	97,866		4,559,162
18. Suspended depositories			
19. Total segregated funds held for others	97,866		4,559,162
<b>Company Funds on Deposit</b>			
20. Open depositories	13,355	143,261	319,783
21. Suspended depositories			
22. Total company funds on deposit	13,355	143,261	319,783
<b>Total All Funds on Deposit</b>			
23. Open depositories	11,221	143,261	4,878,945
24. Suspended depositories			
25. Total all funds on deposit	11,221	143,261	4,878,945





### SCHEDULE F – PART 1

#### Assumed Reinsurance as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13
Federal ID Number	NAIC Company Code	Name of Reinsured	Domiciliary Jurisdiction	Reinsurance Assumed Liability	Assumed Premiums Received	Reinsurance Payable on Paid Losses and Loss Adjustment Expenses	Reinsurance Payable on Known Case Losses and LAE Reserves	Assumed Premiums Receivable	Funds Held by or Deposited With Reinsured Companies	Letters of Credit Posted	Amount of Assets Pledged or Compensating Balances to Secure Letters of Credit	Amount of Assets Pledged or Collateral Held in Trust
74-0924290	50121	Stewart Title Guaranty Company	TX	2,750	1							
0299999	Subtotal - Affiliates - U.S. Non-Pool			2,750	1							
0499999	Total - Affiliates			2,750	1							
9999999	Totals			2,750	1							

## SCHEDULE F – PART 2

Ceded Reinsurance as of December 31, Current Year (000 Omitted)

1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsured	4 Domiciliary Jurisdiction	5 Reinsurance Contracts Ceding 75% or More of Direct Premiums Written	6 Reinsurance Ceded Liability	7 Ceded Reinsurance Premiums Paid	8 Reinsurance Recoverable on Paid Losses and Loss Adjustment Expenses	9 Reinsurance Recoverable on Known Case Losses and LAE Reserves	Reinsurance Payable		12 Net Amount Recoverable From Reinsurers (Cols. 8 + 9 – 10 - 11)	13 Funds Held by Company Under Reinsurance Treaties
									10 Ceded Balances Payable	11 Other Amounts Due to Reinsurers		
76-0233294	51420	Stewart Title Insurance Corporation	NY		280,547	98						
0299999	Total Authorized - Affiliates - U.S. Non-Pool				280,547	98						
0499999	Total Authorized - Affiliates				280,547	98						
9999999	Totals				280,547	98						

**NONE    Schedule F - Part 3**

### SCHEDULE H - PART 1

Showing All Title Plants Owned at December 31 of Current Year and Basis of Valuation

1 Permanent Identification Number	2 Form of Ownership	Title Plant Covering Period		5 Date Acquired	6 Actual Cost	7 Book Value	8 Book Value Valuation Basis (a)	9 Increase by Adjustment in Book Value	10 Decrease by Adjustment in Book Value	
		3 From	4 To							
Monroe and Ontario County	Wholly-owned	01/01/1945	12/31/1988	12/31/1988	717,153		Amortized Cost			
Ontario County	Wholly-owned	01/01/1986	12/31/1988	12/31/1988	4,124		Amortized Cost			
Seneca County	Wholly-owned	01/01/1986	12/31/1988	12/31/1988	8,524		Amortized Cost			
Chemung County	Wholly-owned	01/01/1970	12/31/1988	12/31/1988	50,179		Amortized Cost			
Monroe County	Wholly-owned	01/01/1976	12/31/1996	12/31/1996	127,313		Amortized Cost			
Erie County	Wholly-owned	01/01/1986	12/31/1996	12/31/1996	51,597		Amortized Cost			
Onondaga County	Wholly-owned	01/01/1968	12/31/1996	12/31/1996	13,760		Amortized Cost			
Wyoming County	Wholly-owned	01/01/1944	12/31/1996	12/31/1996	486,000		Amortized Cost			
Erie County	Wholly-owned	01/01/1980	01/08/2003	01/08/2003	11,620	4,168	Amortized Cost		1,132	
Tioga County	Wholly-owned	07/01/1998	07/17/2003	07/17/2003	8,083	3,705	Amortized Cost		808	
Upstate New York	Wholly-owned	05/01/2002	12/31/2002	12/31/2002	50,880	20,352	Amortized Cost		5,088	
Upstate New York	Wholly-owned	01/01/2003	12/31/2003	12/31/2003	98,659	49,329	Amortized Cost		9,866	
Upstate New York	Wholly-owned	01/01/2004	12/31/2004	12/31/2004	143,843	86,308	Amortized Cost		14,384	
Upstate New York	Wholly-owned	01/01/2005	12/31/2005	12/31/2005	97,619	68,333	Amortized Cost		9,762	
Upstate New York	Wholly-owned	01/01/2006	12/31/2006	12/31/2006	65,077	52,062	Amortized Cost		6,507	
Upstate New York	Wholly-owned	01/01/2007	12/31/2007	12/31/2007	62,052	55,847	Amortized Cost		6,205	
Upstate New York	Wholly-owned	01/01/2008	12/31/2008	12/31/2008	40,071	40,071	Amortized Cost			
Allegany County	Wholly-owned	01/01/1950	03/12/1996	01/31/2006	30,122	21,085	Amortized Cost		3,013	
Genesee and Orleans County	Wholly-owned	01/01/1950	11/21/1997	12/31/2006	139,580	111,664	Amortized Cost		13,958	
Genesee and Orleans County	Wholly-owned	01/01/1950	11/21/1997	12/31/2006	24,957	19,966	Amortized Cost		2,496	
Madison County	Wholly-owned	01/01/1950	07/22/1997	12/31/2006	259,902	207,921	Amortized Cost		25,990	
999999 Totals						2,491,115	740,811	X X X		99,209

(a) If the basis is other than cost, provide explanation to reason for deviating from the cost basis: .....



### SCHEDULE H - PART 3

Showing All Title Plants Sold or Otherwise Disposed of During the Year

1 Permanent Identification Number	2 Form of Ownership	Title Plant Covering Period		5 Date Sold	6 Name of Purchaser	7 Cost to Company	8 Increase by Adjustment in Book Value During Year	9 Decrease by Adjustment in Book Value During Year	10 Book Value at Date of Sale	11 Consideration	12 Profit and (Losses) on Sale	
		3 From	4 To									
<b>NONE</b>												
9999999 Totals												

28

### SCHEDULE H – VERIFICATION BETWEEN YEARS

1. Book value, December 31, prior year	799,949	5. Decrease by adjustment in book value:	
2. Increase by adjustment in book value:		5.1 Totals, Part 1, Col. 10	99,209
2.1 Totals, Part 1, Col. 9		5.2 Totals, Part 3, Col. 9	
2.2 Totals, Part 3, Col. 8		6. Consideration received on sales, Part 3, Col. 11	
3. Cost of acquisition, Part 2, Col. 8	40,071	7. Net profit (loss) on sales, Part 3, Col. 12	
4. Totals	840,020	8. Book value, December 31, current year	740,811

## SCHEDULE H - PART 4

Showing Total Title Assets Held Directly or by Subsidiaries

Type of Title Plant Ownership	1 Title Plant Value Current Year	2 Title Plant Value Prior Year
1. Direct investment in title plant assets	740,811	799,949
2. Title plant assets held by subsidiaries (proportionate to ownership)		
3. Total (Line 1 plus Line 2)	740,811	799,949



## 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	148,589	1,030	119,874	2,638	266,855	3,006				1,170		
2. 1999	2,414	10,949	5	6,276	57	17,173	23				43		
3. 2000	2,213	9,622	7	5,551	61	15,119	102				95		
4. 2001	2,544	10,961	7	6,187	72	17,083	11				89		
5. 2002	3,007	14,084	4	7,395	49	21,434	211				277		
6. 2003	4,032	17,890	3	7,885	102	25,676	17				30		
7. 2004	3,704	16,348	3	6,641	109	22,883	8				68		
8. 2005	3,487	15,235	1	6,232	106	21,362	2				31		
9. 2006	3,473	13,815	2	6,298	149	19,966	19				36		
10. 2007	3,368	12,997	17	6,558	45	19,527	224				19		
11. 2008	3,050	14,256	1	6,557	74	20,740					13		
12. Totals	X X X	284,746	1,080	185,454	3,462	467,818	3,623				1,871		

	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	532	1,109	5,285	676	96				122			80
2. 1999		56	122	36	61				18			20
3. 2000	43	97	294	23	1				24			13
4. 2001	20	62	162	27	35				27			16
5. 2002		135	623	29	21				36			20
6. 2003		63	110	40	12				56			31
7. 2004	5	79	155	16	35				70			44
8. 2005		67	100	14	5				121			62
9. 2006		77	132	12	23				132			72
10. 2007	7	77	320	8	126				158			85
11. 2008		17	30	9	7				216			110
12. Totals	607	1,839	7,333	890	422				980			553

	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 ((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	298	8	4,394			4,394	2.080	2.092	X X X			298
2. 1999	99	2	145			145	1.283	1.287	9.155			99
3. 2000	38	1	222			222	2.188	2.196	15.002			38
4. 2001	78	4	162			162	1.400	1.405	9.434			78
5. 2002	77	6	545			545	3.259	3.266	23.279			77
6. 2003	99	3	115			115	0.811	0.814	5.184			99
7. 2004	149	5	181			181	1.322	1.328	8.207			149
8. 2005	188	2	159			159	1.342	1.348	8.259			188
9. 2006	227	5	210			210	1.785	1.798	10.337			227
10. 2007	369	5	527			527	3.523	3.528	20.457			369
11. 2008	333	3	236			236	1.744	1.750	11.902			333
12. Totals	1,955	44	6,896			6,896	X X X	X X X	X X X		X X X	1,955

## SCHEDULE P – PART 1A – POLICIES WRITTEN DIRECTLY

(\$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	134,780	1,030	119,870	2,564	253,116	2,922				1,108		
2. 1999	1,527	6,822	5	6,271	42	13,056	23				43		
3. 2000	1,354	5,799	7	5,542	34	11,314	45				90		
4. 2001	1,467	6,234	7	6,171	40	12,372	11				4		
5. 2002	1,532	7,120	4	7,395	30	14,489	5				27		
6. 2003	2,039	8,572	3	7,883	72	16,386	12				30		
7. 2004	1,674	7,124	3	6,635	81	13,681	2				15		
8. 2005	1,444	6,163	1	6,168	47	12,285	2				19		
9. 2006	1,632	6,084	2	5,908	128	11,866	19				15		
10. 2007	1,414	5,557	17	6,342	43	11,873	224				15		
11. 2008	1,180	5,249	1	6,500	40	11,710					4		
12. Totals	X X X	199,504	1,080	184,685	3,121	382,148	3,265				1,370		

Years in Which Policies Were Written	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	481	1,059	5,089	655	96				122			80
2. 1999		50	116	36	61				18			20
3. 2000		86	221	19								
4. 2001	20	37	52	24	24				19			11
5. 2002		24	56	22	1				2			1
6. 2003		49	91	38	12				56			31
7. 2004		46	63	8								
8. 2005		33	54	11	4				97			50
9. 2006		47	81	11	11				63			34
10. 2007	2	58	297	6	71				89			48
11. 2008		9	13	6	4				123			63
12. Totals	503	1,498	6,133	836	284				589			338

Years in Which Policies Were Written	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 ((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	298	8	4,248			4,248	2.115	2.128	X X X			298
2. 1999	99	2	145			145	1.642	1.647	14.080			99
3. 2000			135			135	1.949	1.953	16.322			
4. 2001	54	3	58			58	0.854	0.857	7.226			54
5. 2002	4	2	35			35	0.413	0.414	3.916			4
6. 2003	99	3	110			110	1.155	1.160	9.318			99
7. 2004			17			17	0.458	0.460	3.763			
8. 2005	151	1	122			122	1.662	1.669	14.197			151
9. 2006	108	4	108			108	1.576	1.593	11.581			108
10. 2007	208	3	399			399	4.244	4.253	35.714			208
11. 2008	190	1	131			131	1.728	1.734	17.203			190
12. Totals	1,211	27	5,508			5,508	X X X	X X X	X X X		X X X	1,211

## SCHEDULE P – PART 1B – POLICIES WRITTEN THROUGH AGENTS

(\$000 omitted)

	1 Years in Which Policies Were Written	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	13,809		4	74	13,739	84				62		
2. 1999	887	4,127		5	15	4,117							
3. 2000	859	3,823		9	27	3,805	57				5		
4. 2001	1,077	4,727		16	32	4,711					85		
5. 2002	1,475	6,964			19	6,945	206				250		
6. 2003	1,993	9,318		2	30	9,290	5						
7. 2004	2,030	9,224		6	28	9,202	6				53		
8. 2005	2,043	9,072		64	59	9,077					12		
9. 2006	1,841	7,731		390	21	8,100					21		
10. 2007	1,954	7,440		216	2	7,654					4		
11. 2008	1,870	9,007		57	34	9,030					9		
12. Totals	X X X	85,242		769	341	85,670	358				501		

	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	51	50	196	21								
2. 1999		6	6									
3. 2000	43	11	73	4	1				24			13
4. 2001		25	110	3	11				8			5
5. 2002		111	567	7	20				34			19
6. 2003		14	19	2								
7. 2004	5	33	92	8	35				70			44
8. 2005		34	46	3	1				24			12
9. 2006		30	51	1	12				69			38
10. 2007		19	23	2	55				69			37
11. 2008		8	17	3	3				93			47
12. Totals	99	341	1,200	54	138				391			215

	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 ((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			146			146	1.419	1.427	X X X			
2. 1999							0.145	0.146	0.676			
3. 2000	38	1	87			87	2.897	2.917	12.922			38
4. 2001	24	1	104			104	2.825	2.844	12.442			24
5. 2002	73	4	510			510	9.190	9.215	43.390			73
6. 2003			5			5	0.204	0.205	0.953			
7. 2004	149	5	164			164	2.611	2.619	11.872			149
8. 2005	37	1	37			37	0.908	0.914	4.063			37
9. 2006	119	1	102			102	2.093	2.099	9.234			119
10. 2007	161	2	128			128	2.403	2.404	9.417			161
11. 2008	143	2	105			105	1.765	1.772	8.556			143
12. Totals	744	17	1,388			1,388	X X X	X X X	X X X		X X X	744

## SCHEDULE P – PART 2

### POLICY YEAR INCURRED LOSS AND ALAE

Years in Which Policies Were Written	Incurred Losses and Allocated Expenses at Year End (\$000 OMITTED)									
	Including Known Claims and IBNR on Unreported Claims									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	2,569	2,426	2,445	2,578	2,639	2,649	2,647	2,674	2,681	2,677
2. 1989	330	360	353	351	343	342	341	340	339	339
3. 1990	255	207	202	206	197	196	364	368	368	369
4. 1991	111	106	103	105	99	99	98	98	97	97
5. 1992	71	64	64	66	60	60	60	60	59	106
6. 1993	258	252	245	235	227	227	226	235	241	240
7. 1994	189	190	180	179	171	165	164	164	163	162
8. 1995	88	62	62	63	60	60	104	106	95	94
9. 1996	79	67	100	59	54	52	52	51	50	48
10. 1997	97	80	69	68	63	96	104	99	98	96
11. 1998	116	127	146	165	160	156	173	169	168	166
12. 1999	128	184	136	131	116	107	101	94	148	145
13. 2000	X X X	181	125	127	118	111	120	178	192	222
14. 2001	X X X	X X X	125	97	93	111	142	142	148	162
15. 2002	X X X	X X X	X X X	162	144	373	467	543	540	545
16. 2003	X X X	X X X	X X X	X X X	142	146	130	155	127	115
17. 2004	X X X	X X X	X X X	X X X	X X X	176	199	196	196	181
18. 2005	X X X	X X X	X X X	X X X	X X X	X X X	200	162	161	159
19. 2006	X X X	X X X	X X X	X X X	X X X	X X X	X X X	192	295	210
20. 2007	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	405	527
21. 2008	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	236

### SCHEDULE P – PART 2A – POLICY YEAR PAID LOSS AND ALAE

Years in Which Policies Were Written	Cumulative Paid Losses and Allocated Expenses at Year End (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008		
1. Prior	2,265	2,280	2,310	2,369	2,490	2,547	2,572	2,597	2,625	2,625	208	97
2. 1989	291	331	331	331	331	331	331	331	331	331	27	16
3. 1990	187	187	187	187	188	188	355	359	360	362	27	20
4. 1991	92	92	92	92	92	92	92	92	92	92	22	10
5. 1992	51	51	51	54	54	54	54	54	54	54	23	19
6. 1993	211	219	219	219	219	219	219	226	230	233	30	15
7. 1994	149	149	149	154	154	154	154	154	154	154	36	7
8. 1995	33	35	37	41	41	41	75	83	85	85	24	9
9. 1996	31	39	39	39	39	39	39	39	39	39	17	9
10. 1997	40	40	42	42	42	74	85	85	85	85	16	7
11. 1998	7	26	75	89	109	113	116	116	116	116	18	11
12. 1999	2	24	47	64	64	66	66	66	66	66	25	9
13. 2000	X X X	26	29	50	56	56	62	83	151	197	16	6
14. 2001	X X X	X X X	2	6	14	35	65	77	81	100	19	4
15. 2002	X X X	X X X	X X X	8	23	38	91	280	284	488	15	8
16. 2003	X X X	X X X	X X X	X X X	2	19	27	37	46	47	33	4
17. 2004	X X X	X X X	X X X	X X X	X X X	2	20	33	57	76	7	4
18. 2005	X X X	X X X	X X X	X X X	X X X	X X X	10	12	14	33	10	2
19. 2006	X X X	X X X	X X X	X X X	X X X	X X X	X X X	1	29	55	6	1
20. 2007	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		243	3	
21. 2008	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	13	6	

## SCHEDULE P – PART 2B

### POLICY YEAR LOSS AND ALAE CASE BASIS RESERVES

Years in Which Policies Were Written	Case Basis Losses and Allocated Expenses Reserves at Year End (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	183	68	78	74	31	15	12	11		
2. 1989	13	4	2	1						
3. 1990	51	1	1	6			3	3	2	1
4. 1991	5	2	1	1	1	1	1			
5. 1992	8	3	8	3						50
6. 1993	22	7	6	4				3	5	2
7. 1994	1	16	16	16	13	2	2	2	2	2
8. 1995	36	15	18	15	15	15	21	15	3	3
9. 1996	15	5	52	1	1	1	2	1	2	
10. 1997	7	9	5	3	3	10	6			
11. 1998	44	62	41	62	40	33	37	36	35	35
12. 1999	15	73	45	34	25	15	7	3	61	61
13. 2000	X X X	6	21	22	12	15	28	62	11	1
14. 2001	X X X	X X X	2	10	21	38	54	39	34	35
15. 2002	X X X	X X X	X X X	52	48	279	314	208	210	21
16. 2003	X X X	X X X	X X X	X X X	1	8	7	53	14	12
17. 2004	X X X	X X X	X X X	X X X	X X X	18	74	77	71	35
18. 2005	X X X	X X X	X X X	X X X	X X X	X X X	1		12	5
19. 2006	X X X	X X X	X X X	X X X	X X X	X X X	X X X	10	122	23
20. 2007	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	215	126
21. 2008	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7

## SCHEDULE P – PART 2C

### POLICY YEAR BULK RESERVES ON KNOWN CLAIMS

Years in Which Policies Were Written	Bulk Reserves on Known Claims at Year End (\$000 OMITTED)									
	Loss and Allocated Loss Expense									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	50	25	25	40	35	20	10	9	3	3
2. 1989										
3. 1990										
4. 1991										
5. 1992										
6. 1993										
7. 1994										
8. 1995										
9. 1996										
10. 1997										
11. 1998										
12. 1999										
13. 2000	X X X									
14. 2001	X X X	X X X								
15. 2002	X X X	X X X	X X X							
16. 2003	X X X	X X X	X X X	X X X						
17. 2004	X X X	X X X	X X X	X X X	X X X					
18. 2005	X X X	X X X	X X X	X X X	X X X	X X X				
19. 2006	X X X	X X X	X X X	X X X	X X X	X X X	X X X			
20. 2007	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X		
21. 2008	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	

## SCHEDULE P – PART 2D

### POLICY YEAR IBNR RESERVES

Years in Which Policies Were Written	IBNR Reserves on Unreported Claims at Year End (\$000 OMITTED)									
	Loss and Allocated Loss Expense									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	71	53	32	95	82	67	53	57	53	49
2. 1989	26	25	20	19	12	11	10	9	8	8
3. 1990	17	19	14	13	9	8	6	6	6	6
4. 1991	14	12	10	12	6	6	5	6	5	5
5. 1992	12	10	5	9	6	6	6	6	5	2
6. 1993	25	26	20	12	8	8	7	6	6	5
7. 1994	39	25	15	9	4	9	8	8	7	6
8. 1995	19	12	7	7	4	4	8	8	7	6
9. 1996	33	23	9	19	14	12	11	11	9	9
10. 1997	50	31	22	23	18	12	13	14	13	11
11. 1998	65	39	30	14	11	10	20	17	17	15
12. 1999	111	87	44	33	27	26	28	25	21	18
13. 2000	X X X	149	75	55	50	40	30	33	30	24
14. 2001	X X X	X X X	121	81	58	38	23	26	33	27
15. 2002	X X X	X X X	X X X	102	73	56	62	55	46	36
16. 2003	X X X	X X X	X X X	X X X	139	119	96	65	67	56
17. 2004	X X X	X X X	X X X	X X X	X X X	156	105	86	68	70
18. 2005	X X X	X X X	X X X	X X X	X X X	X X X	189	150	135	121
19. 2006	X X X	X X X	X X X	X X X	X X X	X X X	X X X	181	144	132
20. 2007	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	190	158
21. 2008	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	216

### SCHEDULE P – PART 3 INCURRED LOSS AND ALAE BY YEAR OF FIRST REPORT

Years in Which Losses Were Incurred	Losses and Allocated Expenses at Year End (\$000 OMITTED)									
	Incurred Loss and ALAE on Known Claims and Bulk Reserves on Known Claims									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	3,690	3,523	3,527	3,575	3,636	3,662	3,672	3,688	3,682	3,682
2. 1999	119	90	83	83	77	74	59	57	57	57
3. 2000	XXX	182	161	158	153	138	137	132	125	135
4. 2001	XXX	XXX	160	129	134	131	151	149	166	166
5. 2002	XXX	XXX	XXX	144	133	365	467	533	546	572
6. 2003	XXX	XXX	XXX	XXX	32	31	36	34	34	33
7. 2004	XXX	XXX	XXX	XXX	XXX	137	175	202	208	202
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	315	345	336	320
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	117	99	128
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	448	390
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	231

### SCHEDULE P – PART 3A PAID LOSS AND ALAE BY YEAR OF FIRST REPORT

Years in Which Losses Were Incurred	Cumulative Paid Losses and Allocated Expenses at Year End (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1	2	3	4	5	6	7	8	9	10		
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008		
1. Prior	3,350	3,408	3,423	3,465	3,581	3,634	3,659	3,688	3,676	3,676	411	199
2. 1999	9	13	27	27	27	27	27	57	27	27	17	10
3. 2000	XXX	78	102	109	115	119	120	132	120	130	20	12
4. 2001	XXX	XXX	58	106	111	115	126	149	166	166	19	6
5. 2002	XXX	XXX	XXX	38	67	79	134	533	332	554	20	10
6. 2003	XXX	XXX	XXX	XXX	17	18	18	34	18	18	19	4
7. 2004	XXX	XXX	XXX	XXX	XXX	76	133	202	189	189	27	7
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	216	345	276	295	23	7
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	117	62	102	15	3
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	33	296	5	
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	41	12	

### SCHEDULE P – PART 3B LOSS AND ALAE CASE BASIS RESERVES BY YEAR OF FIRST REPORT

Years in Which Losses Were Incurred	Case Basis Losses and Allocated Expenses Reserves at Year End (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	290	90	79	70	20	8	3	3	3	3
2. 1999	110	77	56	56	50	47	32	30	30	30
3. 2000	XXX	104	59	49	38	19	17	12	5	5
4. 2001	XXX	XXX	102	23	23	16	25	11		
5. 2002	XXX	XXX	XXX	106	65	286	333	205	214	18
6. 2003	XXX	XXX	XXX	XXX	15	13	18	16	16	15
7. 2004	XXX	XXX	XXX	XXX	XXX	61	42	67	19	13
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	99	96	60	25
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	83	37	26
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	415	94
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	190

### SCHEDULE P – PART 3C BULK RESERVES ON KNOWN CLAIMS BY YEAR OF FIRST REPORT

Years in Which Losses Were Incurred	Bulk Reserves on Known Claims at Year End (\$000 OMITTED)									
	Loss and Allocated Loss Expense									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	50	25	25	40	35	20	10	9	3	3
2. 1999										
3. 2000	XXX									
4. 2001	XXX	XXX								
5. 2002	XXX	XXX	XXX							
6. 2003	XXX	XXX	XXX	XXX						
7. 2004	XXX	XXX	XXX	XXX	XXX					
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

## SCHEDULE P INTERROGATORIES

- 1.1 Title insurance losses should include all losses on any transaction for which a title insurance premium, rate or charge was made or contemplated. Escrow losses for which the company is contractually obligated should be included. Losses arising from defalcations for which the reporting entity is contractually obligated should be included. Are the title insurance losses reported in Schedule P defined in conformance with the above definition? Yes  No
- 1.2 If not, describe the types of losses reported.
- 1.3 If the types or basis of reporting has changed over time, please explain the nature of such changes
- .....
- .....
- 2.1 Are paid loss and allocated loss adjustment expenses reduced on account of salvage or subrogation in accordance with the instructions? Yes  No
- 2.2 If not, describe the basis of reporting.
- 2.3 If the basis of reporting has changed over time, please explain the nature of such changes
- .....
- .....
- 3.1 Are sales of salvage at prices different from their book value recorded in accordance with the instructions? Yes  No
- 3.2 If not, describe the basis of reporting.
- 3.3 If the basis of reporting has changed over time, please explain the nature of such changes.
- .....
- .....
- 4.1 Are the case basis reserves reported gross of anticipated salvage and subrogation in accordance with the instructions? Yes  No
- 4.2 If not, please explain.
- 4.3 If the basis of reporting has changed over time, please explain the nature of such changes.
- .....
- .....
- 5.1 Do any of the reserves reported in Schedule P contain a provision for reserve discount, contingency margin, or any other element not providing for an estimation of ultimate liability? Yes  No
- 5.2 If so, please explain.
- .....
- 6.1 Does the company IBNR reserves in Schedule P reconcile to the IBNR reserves prepared on a GAAP basis? Yes  No
- 6.2 If not, please explain.
- .....
- 7.1 Are allocated loss adjustment expenses recorded in accordance with the instructions? Yes  No
- 7.2 If not, please explain which items are not in conformity.
- .....
- .....
- 7.3 If the basis of reporting has changed over time, please explain the nature of such changes.
- .....
- .....
- 8.1 The unallocated loss adjustment expenses paid during the most recent calendar year should be distributed to the various policy years in which the policy was issued as follows: (1) 10% to the most recent policy year, (2) 20% to the next most recent policy year, (3) 10% to the succeeding policy year, (4) 5% to each of the next two succeeding policy years, and (5) the balance to all policy years, including the most recent policy year, in proportion to the amount of loss payments paid for each policy year during the most recent calendar year. Are they so reported? Yes  No
- 8.2 If estimates were used prior to 1996, please explain the basis of such estimates.
- .....
- .....
9. Indicate the basis of determining claim counts:
- 9.1 Are policies having multiple claims shown in Schedule P as a single claim? Yes  No
- 9.2 Are claims closed without payment removed from the claim count? Yes  No
- 9.3 If the definition of claim count has changed over time, please explain the nature of such changes.
- .....
- .....
- 10.1 Have there been any portfolio reinsurance transfers or other accounting conventions that have caused a mismatch of premiums, other income, loss or ALAE? Yes  No
- 10.2 If so, please explain.
- .....
- 11.1 Have there been any excess of loss or stop loss reinsurance treaties or other accounting conventions that have caused a mismatch of premiums, other loss or ALAE? Yes  No
- 11.2 If so, please explain.
- .....
- 12.1 Have there been any major mergers or acquisitions, either with respect to an insurer or an agent, that had a material impact on operations or claims development? Yes  No
- 12.2 If so, please explain.
- .....
- 13.1 Were any estimates or allocations used to complete this data request? Yes  No
- 13.2 If so, please explain the nature of the estimate or allocation, the assumptions made and the data used to support your assumptions. Management reviews and adjusts each specific reserve, as necessary and appropriate, given changes in facts or circumstances.
- .....
- .....
14. Are there any especially significant events, coverage, retention or accounting changes which have occurred which must be considered when making an analysis of the information provided? Yes  No



## SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

### Allocated by States and Territories

States, Etc.	1 Active Status	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	N								
2. Alaska	AK	N								
3. Arizona	AZ	N								
4. Arkansas	AR	N								
5. California	CA	N								
6. Colorado	CO	N								
7. Connecticut	CT	N								
8. Delaware	DE	N								
9. District of Columbia	DC	N								
10. Florida	FL	N								
11. Georgia	GA	N								
12. Hawaii	HI	N								
13. Idaho	ID	N								
14. Illinois	IL	N								
15. Indiana	IN	N								
16. Iowa	IA	N								
17. Kansas	KS	N								
18. Kentucky	KY	N								
19. Louisiana	LA	N								
20. Maine	ME	N								
21. Maryland	MD	N								
22. Massachusetts	MA	N								
23. Michigan	MI	N								
24. Minnesota	MN	N								
25. Mississippi	MS	N								
26. Missouri	MO	N								
27. Montana	MT	N								
28. Nebraska	NE	N								
29. Nevada	NV	N								
30. New Hampshire	NH	N								
31. New Jersey	NJ	N								
32. New Mexico	NM	N								
33. New York	NY	N								
34. North Carolina	NC	A1	5,248,154	8,619,987	387,771	6,567,546	14,098,211	549,520	168,917	421,695
35. North Dakota	ND	N								
36. Ohio	OH	N								
37. Oklahoma	OK	N								
38. Oregon	OR	N								
39. Pennsylvania	PA	N								
40. Rhode Island	RI	N								
41. South Carolina	SC	N								
42. South Dakota	SD	N								
43. Tennessee	TN	N								
44. Texas	TX	N								
45. Utah	UT	N								
46. Vermont	VT	N								
47. Virginia	VA	N								
48. Washington	WA	N								
49. West Virginia	WV	N								
50. Wisconsin	WI	N								
51. Wyoming	WY	N								
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N								
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CN	N								
58. Aggregate Other Alien	OT	X X X								
59. Totals	(a)	X X X	5,248,154	8,619,987	387,771	6,567,546	14,098,211	549,520	168,917	421,695

DETAILS OF WRITE-INS										
5801.	X X X									
5802.	X X X									
5803.	X X X									
5898. Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X								
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X								

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

(b) Insert "A1" 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

NAIC Group Code	Group Name	NAIC Company Code	State of Domicile	Federal ID Number	Company Name
0		0	DE	74-1677330	Stewart Information Services Corporation
340	Stewart	50121	TX	74-0924290	Stewart Title Guaranty Company-STG
340	Stewart	50035	FL	65-0685696	Alliance Title of America-SISCO,STG
340	Stewart	50156	IL	34-0805709	National Land Title Insurance Company
340	Stewart	50725	AR	71-0560086	Arkansas Title Insurance Company-NLTIC
340	Stewart	51420	NY	76-0233294	Stewart Title Insurance Company-STG
340	Stewart	51063	NY	16-0557455	Monroe Title Insurance Corporation-STIC
340	Stewart	50036	OR	91-1800766	Stewart Title Insurance Co. of Oregon-STG
340	Stewart	32336	VT	03-0311175	Title Reinsurance Company-STG
0		0	MX	AA-2734105	Stewart Title Guaranty De Mexico-STG
0		0	EN	AA-1124112	Stewart Title Limited (United Kingdom)-STG
0		0	TX	74-0923770	Stewart Title Co. of Galveston-STC-STG
0		0	TX	74-2327609	Stewart Title of Austin-STC
0		0	OK	73-1093494	Stewart Abstract of Oklahoma-STC
0		0	NM	85-0446018	Stewart Title LLC-STC
0		0	NM	85-0432768	Santa Fe Abstract-STC
0		0	AR	71-0798379	Stewart Title of Arkansas-STC
0		0	WA	91-1918234	Stewart Title of Washington-STC
0		0	AZ	86-0223200	Stewart Title & Trust of Phoenix-STC
0		0	CA	95-4607898	Stewart Title of California-STC
0		0	CA	77-0354503	Asset Preservation Inc.-STC
0		0	CA	94-2812125	Consolidated Title-STC
0		0	FL	59-3138251	Tampa Cypress Partners-STC
0		0	MT	81-0529591	Stewart Title of Montana-STC
0		0	NV	20-8217543	Stewart Title Nevada Holdings Inc.-STC
0		0	PL	99-9999999	Stewart International Spolka Z Organizon-STC
0		0	TN	20-1624648	Stewart Title of Tennessee-STC
0		0	TX	76-0450977	Stewart Lenders Services-STC
0		0	TX	20-5764898	Property Information Corporation
0		0	TX	03-0575225	Stewart REI Group Inc.
0		0	TX	20-5795343	Stewart Border Title LLC-STC
0		0	TX	20-8586758	SLJ Holdings
0		0	CO	20-2815427	Stewart Title of Colorado-STC
0		0	CO	84-1517419	Stewart Water Information LLC-STC
0		0	WA	68-0304246	Stewart Transaction Solutions NW-STC
0		0	UT	46-0467452	Bonneville Superior Title Co.-STC
0		0	VG	98-0371673	Stewart Latin America Inc.-STC

## SCHEDULE Y

### PART 2 – SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parents, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
51420 51063	76-0233924 16-0557455	Stewart Title Insurance Corporation Monroe Title Insurance Corporation					100,025 (100,025)	98,192 (98,192)			198,217 (198,217)	
9999999	Control Totals								XXX			

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	<b>Response</b>
<b>MARCH FILING</b>	
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES .....
2. Will an actuarial opinion be filed by March 1?	YES .....
<b>APRIL FILING</b>	
3. Will Management's Discussion and Analysis be filed by April 1?	YES .....
4. Will the Supplemental Schedule of Business Written by Agency be filed with the state of domicile by April 1?	YES .....
5. Will the Supplemental Investment Risk Interrogatories be filed by April 1?	YES .....
<b>JUNE FILING</b>	
6. Will an audited financial report be filed by June 1?	YES .....

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

<b>MARCH FILING</b>	
7. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	YES .....

**Explanation:**

**Bar Code:**

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## 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				
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				
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	9,134,518	60.44	9,134,518	60.44
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
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)				
2.2 Unaffiliated foreign securities				
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds				
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	3,342,732	22.12	3,342,732	22.12
3.4 Other equity securities:				
3.41 Affiliated				
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				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by company	1,334,578	8.83	1,334,578	8.83
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (including \$ 0 property acquired in satisfaction of debt)				
6. Contract loans				
7. Receivables for securities				
8. Cash, cash equivalents and short-term investments	1,057,712	7.00	1,057,712	7.00
9. Other invested assets	244,893	1.62	244,893	1.62
10. Total invested assets	15,114,433	100.00	15,114,433	100.00

## SCHEDULE A - VERIFICATION BETWEEN YEARS

### Real Estate

1.	Book/adjusted carrying value, December 31 of prior year		1,359,386
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition (Part 2, Column 6)	51,596	
	2.2 Additional investment made after acquisition (Part 2, Column 9)		51,596
3.	Current year change in encumbrances:		
	3.1 Totals, Part 1, Column 13		
	3.2 Totals, Part 3, Column 11		
4.	Total gain (loss) on disposals, Part 3, Column 18		
5.	Deduct amounts received on disposals, Part 3, Column 15		
6.	Total foreign exchange change in book/adjusted carrying value:		
	6.1 Totals, Part 1, Column 15		
	6.2 Totals, Part 3, Column 13		
7.	Deduct current year's other than temporary impairment recognized:		
	7.1 Totals, Part 1, Column 12		
	7.2 Totals, Part 3, Column 10		
8.	Deduct current year's depreciation:		
	8.1 Totals, Part 1, Column 11	76,404	
	8.2 Totals, Part 3, Column 9		76,404
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		1,334,578
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		1,334,578

## SCHEDULE B - VERIFICATION BETWEEN YEARS

### Mortgage Loans

1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year		
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisitions (Part 2, Column 7)		
	2.2 Additional investment made after acquisitions (Part 2, Column 8)		
3.	Capitalized deferred interest and other:		
	3.1 Totals, Part 1, Column 12		
	3.2 Totals, Part 3, Column 11		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease):		
	5.1 Totals, Part 1, Column 9		
	5.2 Totals, Part 3, Column 8		
6.	Total gain (loss) on disposals, Part 3, Column 18		
7.	Deduct amounts received on disposals, Part 3, Column 15		
8.	Deduct amortization of premium and mortgage interest points and commitment fees		
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest:		
	9.1 Totals, Part 1, Column 13		
	9.2 Totals, Part 3, Column 13		
10.	Deduct current year's other than temporary impairment recognized:		
	10.1 Totals, Part 1, Column 11		
	10.2 Totals, Part 3, Column 10		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted accounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

NONE

**SCHEDULE BA - VERIFICATION BETWEEN YEARS****Other Long-Term Invested Assets**

1. Book/adjusted carrying value, December 31 of prior year		246,706
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 8)		
2.2 Additional investment made after acquisition (Part 2, Column 9)		
3. Capitalized deferred interest and other:		
3.1 Totals, Part 1, Column 16		
3.2 Totals, Part 3, Column 12		
4. Accrual of discount		
5. Unrealized valuation increase (decrease):		
5.1 Totals, Part 1, Column 13	148,187	
5.2 Totals, Part 3, Column 9		148,187
6. Total gain (loss) on disposals, Part 3, Column 19		
7. Deduct amounts received on disposals, Part 3, Column 16		150,000
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value:		
9.1 Totals, Part 1, Column 17		
9.2 Totals, Part 3, Column 14		
10. Deduct current year's other than temporary impairment recognized:		
10.1 Totals, Part 1, Column 15		
10.2 Totals, Part 3, Column 11		
11. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		244,893
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		244,893

**SCHEDULE D - VERIFICATION BETWEEN YEARS****Bonds and Stocks**

1. Book/adjusted carrying value, December 31 of prior year		13,888,177
2. Cost of bonds and stocks acquired, Column 7, Part 3		3,856,800
3. Accrual of discount		
4. Unrealized valuation increase (decrease):		
4.1 Column 12, Part 1		
4.2 Column 15, Part 2, Section 1		
4.3 Column 13, Part 2, Section 2	(968,999)	
4.4 Column 11, Part 4	(553,761)	(1,522,760)
5. Total gain (loss) on disposals, Column 19, Part 4		48,059
6. Deduction consideration for bonds and stocks disposed of, Column 7, Part 4		3,110,696
7. Deduct amortization of premium		5,080
8. Total foreign exchange change in book/adjusted carrying value:		
8.1 Column 15, Part 1		
8.2 Column 19, Part 2, Section 1		
8.3 Column 16, Part 2, Section 2		
8.4 Column 15, Part 4		
9. Deduct current year's other than temporary impairment recognized:		
9.1 Column 14, Part 1		
9.2 Column 17, Part 2, Section 1		
9.3 Column 14, Part 2, Section 2	677,250	
9.4 Column 13, Part 4		677,250
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		12,477,250
11. Deduct total nonadmitted accounts		
12. Statement value at end of current period (Line 10 minus Line 11)		12,477,250



## SCHEDULE D - SUMMARY BY COUNTRY

### Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b> Governments (Including all obligations guaranteed by governments)	1. United States				
	2. Canada				
	3. Other Countries				
	4. Totals				
States, Territories and Possessions (Direct and guaranteed)	5. United States	9,134,518	9,137,665	9,145,765	9,095,000
	6. Canada				
	7. Other Countries				
	8. Totals	9,134,518	9,137,665	9,145,765	9,095,000
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
	12. Totals				
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States				
	14. Canada				
	15. Other Countries				
	16. Totals				
Public Utilities (unaffiliated)	17. United States				
	18. Canada				
	19. Other Countries				
	20. Totals				
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States				
	22. Canada				
	23. Other Countries				
	24. Totals				
Parent, Subsidiaries and Affiliates	25. Totals				
	<b>26. Total Bonds</b>	9,134,518	9,137,665	9,145,765	9,095,000
<b>PREFERRED STOCKS</b> 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				
	<b>40. Total Preferred Stocks</b>				
<b>COMMON STOCKS</b> Public Utilities (unaffiliated)	41. United States	78,048	78,048	115,344	
	42. Canada				
	43. Other Countries				
	44. Totals	78,048	78,048	115,344	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	211,670	211,670	374,876	
	46. Canada				
	47. Other Countries				
	48. Totals	211,670	211,670	374,876	
Industrial and Miscellaneous (unaffiliated)	49. United States	3,053,014	3,053,014	3,577,797	
	50. Canada				
	51. Other Countries				
	52. Totals	3,053,014	3,053,014	3,577,797	
Parent, Subsidiaries and Affiliates	53. Totals				
	<b>54. Total Common Stocks</b>	3,342,732	3,342,732	4,068,017	
	55. Total Stocks	3,342,732	3,342,732	4,068,017	
	56. Total Bonds and Stocks	12,477,250	12,480,397	13,213,782	

### SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
<b>1. U.S. Governments, (Group 1)</b>											
1.1 Class 1											
1.2 Class 2											
1.3 Class 3											
1.4 Class 4											
1.5 Class 5											
1.6 Class 6											
1.7 Totals											
<b>2. All Other Governments, (Group 2)</b>											
2.1 Class 1											
2.2 Class 2											
2.3 Class 3											
2.4 Class 4											
2.5 Class 5											
2.6 Class 6											
2.7 Totals											
<b>3. States, Territories and Possessions, etc., Guaranteed, (Group 3)</b>											
3.1 Class 1	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	
3.2 Class 2											
3.3 Class 3											
3.4 Class 4											
3.5 Class 5											
3.6 Class 6											
3.7 Totals	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	
<b>4. Political Subdivisions of States, Territories and Possessions, etc., Guaranteed, (Group 4)</b>											
4.1 Class 1											
4.2 Class 2											
4.3 Class 3											
4.4 Class 4											
4.5 Class 5											
4.6 Class 6											
4.7 Totals											
<b>5. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed, (Group 5)</b>											
5.1 Class 1											
5.2 Class 2											
5.3 Class 3											
5.4 Class 4											
5.5 Class 5											
5.6 Class 6											
5.7 Totals											

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## SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
Quality Rating per the NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
<b>10. Total Bonds Current Year</b>											
10.1 Class 1	(d) 249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	X X X	X X X	9,134,518	
10.2 Class 2	(d)							X X X	X X X		
10.3 Class 3	(d)							X X X	X X X		
10.4 Class 4	(d)							X X X	X X X		
10.5 Class 5	(d)					(c)		X X X	X X X		
10.6 Class 6	(d)					(c)		X X X	X X X		
10.7 Totals	249,968	1,801,965	2,496,820	4,585,765		(b) 9,134,518	100.000	X X X	X X X	9,134,518	
10.8 Line 10.7 as a % of Col. 6	2.737	19.727	27.334	50.203		100.000	X X X	X X X	X X X	100.000	
<b>11. Total Bonds Prior Year</b>											
11.1 Class 1		1,704,211	2,630,179	4,928,174		X X X	X X X	9,262,564	100.000	9,262,564	
11.2 Class 2						X X X	X X X				
11.3 Class 3						X X X	X X X				
11.4 Class 4						X X X	X X X				
11.5 Class 5						X X X	X X X	(c)			
11.6 Class 6						X X X	X X X	(c)			
11.7 Totals		1,704,211	2,630,179	4,928,174		X X X	X X X	(b) 9,262,564	100.000	9,262,564	
11.8 Line 11.7 as a % of Col. 8		18.399	28.396	53.205		X X X	X X X	100.000	X X X	100.000	
<b>12. Total Publicly Traded Bonds</b>											
12.1 Class 1	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	X X X
12.2 Class 2											X X X
12.3 Class 3											X X X
12.4 Class 4											X X X
12.5 Class 5											X X X
12.6 Class 6											X X X
12.7 Totals	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	X X X
12.8 Line 12.7 as a % of Col. 6	2.737	19.727	27.334	50.203		100.000	X X X	X X X	X X X	100.000	X X X
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	2.737	19.727	27.334	50.203		100.000	X X X	X X X	X X X	100.000	X X X
<b>13. Total Privately Placed Bonds</b>											
13.1 Class 1										X X X	
13.2 Class 2										X X X	
13.3 Class 3										X X X	
13.4 Class 4										X X X	
13.5 Class 5										X X X	
13.6 Class 6										X X X	
13.7 Totals										X X X	
13.8 Line 13.7 as a % of Col. 6							X X X	X X X	X X X	X X X	
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10							X X X	X X X	X X X	X X X	

SOT

- (a) Includes \$ 0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.
- (b) Includes \$ 0 current year, \$ 0 prior year of bonds with Z designations and \$ 0 current year, \$ 0 prior year of bonds with Z\* designations. The letter 'Z' means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.
- (c) Includes \$ 0 current year, \$ 0 prior year of bonds with 5\* designations and \$ 0 current year, \$ 0 prior year of bonds with 6\* designations. '5\*' means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.
- (d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0.

## SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed
<b>1. U.S. Governments, (Group 1)</b>											
1.1 Issuer Obligations											
1.2 Single Class Mortgage-Backed/Asset-Backed Securities											
1.7 Totals											
<b>2. All Other Governments, (Group 2)</b>											
2.1 Issuer Obligations											
2.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
2.3 Defined											
2.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
2.5 Defined											
2.6 Other											
2.7 Totals											
<b>3. States, Territories and Possessions, Guaranteed, (Group 3)</b>											
3.1 Issuer Obligations	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	
3.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
3.3 Defined											
3.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
3.5 Defined											
3.6 Other											
3.7 Totals	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	
<b>4. Political Subdivisions of States, Territories and Possessions, Guaranteed, (Group 4)</b>											
4.1 Issuer Obligations											
4.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
4.3 Defined											
4.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
4.5 Defined											
4.6 Other											
4.7 Totals											
<b>5. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed, (Group 5)</b>											
5.1 Issuer Obligations											
5.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
5.3 Defined											
5.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
5.5 Defined											
5.6 Other											
5.7 Totals											

**SCHEDULE D - PART 1A - SECTION 2 (Continued)**

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Col. 6 as a % of Line 10.7	8 Total from Col. 6 Prior Year	9 % From Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
<b>6. Public Utilities (Unaffiliated), (Group 6)</b>											
6.1 Issuer Obligations											
6.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
6.3 Defined											
6.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
6.5 Defined											
6.6 Other											
6.7 Totals											
<b>7. Industrial &amp; Miscellaneous (Unaffiliated), (Group 7)</b>											
7.1 Issuer Obligations											
7.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
7.3 Defined											
7.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
7.5 Defined											
7.6 Other											
7.7 Totals											
<b>8. Credit Tenant Loans, (Group 8)</b>											
8.1 Issuer Obligations											
8.7 Totals											
<b>9. Parent, Subsidiaries and Affiliates, (Group 9)</b>											
9.1 Issuer Obligations											
9.2 Single Class Mortgage-Backed/Asset-Backed Securities											
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
9.3 Defined											
9.4 Other											
MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES											
9.5 Defined											
9.6 Other											
9.7 Totals											

### SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Col. 6 as a % of Line 10.7	Total from Col. 6 Prior Year	% From Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed
<b>10. Total Bonds Current Year</b>											
10.1 Issuer Obligations	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	X X X	X X X	9,134,518	
10.2 Single Class Mortgage-Backed/Asset-Backed Securities								X X X	X X X		
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
10.3 Defined								X X X	X X X		
10.4 Other								X X X	X X X		
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
10.5 Defined								X X X	X X X		
10.6 Other								X X X	X X X		
10.7 Totals	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	X X X	X X X	9,134,518	
10.8 Line 10.7 as a % of Col. 6	2.737	19.727	27.334	50.203		100.000	X X X	X X X	X X X	100.000	
<b>11. Total Bonds Prior Year</b>											
11.1 Issuer Obligations		1,704,211	2,630,179	4,928,174		X X X	X X X	9,262,564	100.000	9,262,564	
11.2 Single Class Mortgage-Backed/Asset-Backed Securities						X X X	X X X				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
11.3 Defined						X X X	X X X				
11.4 Other						X X X	X X X				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
11.5 Defined						X X X	X X X				
11.6 Other						X X X	X X X				
11.7 Totals		1,704,211	2,630,179	4,928,174		X X X	X X X	9,262,564	100.000	9,262,564	
11.8 Line 11.7 as a % of Col. 8		18.399	28.396	53.205		X X X	X X X	100.000	X X X	100.000	
<b>12. Total Publicly Traded Bonds</b>											
12.1 Issuer Obligations	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	X X X
12.2 Single Class Mortgage-Backed/Asset-Backed Securities											X X X
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
12.3 Defined											X X X
12.4 Other											X X X
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
12.5 Defined											X X X
12.6 Other											X X X
12.7 Totals	249,968	1,801,965	2,496,820	4,585,765		9,134,518	100.000	9,262,564	100.000	9,134,518	X X X
12.8 Line 12.7 as a % of Col. 6	2.737	19.727	27.334	50.203		100.000	X X X	X X X	X X X	100.000	X X X
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	2.737	19.727	27.334	50.203		100.000	X X X	X X X	X X X	100.000	X X X
<b>13. Total Privately Placed Bonds</b>											
13.1 Issuer Obligations										X X X	
13.2 Single Class Mortgage-Backed/Asset-Backed Securities										X X X	
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES											
13.3 Defined										X X X	
13.4 Other										X X X	
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES											
13.5 Defined										X X X	
13.6 Other										X X X	
13.7 Totals										X X X	
13.8 Line 13.7 as a % of Col. 6							X X X	X X X	X X X	X X X	
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10							X X X	X X X	X X X	X X X	

## SCHEDULE DA - VERIFICATION BETWEEN YEARS

### Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-Term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	1,100,884			1,100,884	
2. Cost of short-term investments acquired	3,660,378			3,660,378	
3. Accrual of discount	23,474			23,474	
4. Unrealized valuation increase (decrease)					
5. Total gain (loss) on disposals					
6. Deduct consideration received on disposals	4,306,841			4,306,841	
7. Deduct amortization of premium					
8. Total foreign exchange change in book/adjusted carrying value					
9. Deduct current year's other than temporary impairment recognized					
10. Book adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	477,895			477,895	
11. Deduct total nonadmitted amounts					
12. Statement value at end of current period (Line 10 minus Line 11)	477,895			477,895	

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: \_\_\_\_\_.



- NONE    Schedule DB - Part A and B Verification**
- NONE    Schedule DB - Part C, D and E Verification**
- NONE    Schedule DB - Part F - Section 1**
- NONE    Schedule DB - Part F - Section 2**
- NONE    Schedule E Verification**

## SCHEDULE A - PART 1

Showing All Real Estate OWNED December 31 of Current Year

1 Description of Property	2 Code	Location		5 Date Acquired	6 Date of Last Appraisal	7 Actual Cost	8 Amount of Encumbrances	9 Book/Adjusted Carrying Value Less Encumbrances	10 Fair Value Less Encumbrances	Change in Book/Adjusted Carrying Value Less Encumbrances					16 Gross Income Earned Less Interest Incurred on Encumbrances	17 Taxes, Repairs and Expenses Incurred
		3 City	4 State							11 Current Year's Depreciation	12 Current Year's Other Than Temporary Impairment Recognized	13 Current Year's Change in Encumbrances	14 Total Change in B./A.C.V. (13 - 11 - 12)	15 Total Foreign Exchange Change in B./A.C.V.		
Building		Buffalo	New York	12/01/1968	02/15/2005	688,319		313,521	1,700,000	24,148			(24,148)		88,000	68,042
Building		Warsaw	New York	01/15/1997	01/01/1997	73,459		51,524	68,500	1,842			(1,842)		12,000	5,979
Building		Rochester	New York	12/01/1985	02/14/2005	2,311,655		693,745	2,025,000	31,240			(31,240)		299,758	254,938
Building		Belmont	New York	05/31/2006	03/06/2006	67,029		68,177	62,000	2,961			(2,961)		9,000	8,502
Building - condominium		Syracuse	New York	01/01/1969	02/14/2005	333,330		61,359	430,000	8,534			(8,534)		81,000	80,557
Building		Saratoga	New York	10/01/1993	02/26/2005	187,403		146,252	330,000	7,679			(7,679)		35,000	34,672
0299999 Properties occupied by the reporting entity - Administrative *						3,661,195		1,334,578	4,615,500	76,404			(76,404)		524,758	452,690
0399999 Total Properties occupied by the reporting entity						3,661,195		1,334,578	4,615,500	76,404			(76,404)		524,758	452,690
0699999 Totals						3,661,195		1,334,578	4,615,500	76,404			(76,404)		524,758	452,690

E01



**NONE**    **Schedule A - Part 3**

**NONE**    **Schedule B - Part 1**

**NONE**    **Schedule B - Part 2**

**NONE**    **Schedule B - Part 3**

## SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1 CUSIP Ident- ification	2 Name or Description	3 Code	4 Location		6 Name of Vendor or General Partner	7 NAIC Desig- nation	8 Date Originally Acquired	9 Type and Strateg	10 Actual Cost	11 Fair Value	12 Book/Adjuste Carrying Value Less Encumbrance	Change in Book/Adjusted Carrying Value					18 Investment Income	19 Commitment for Additional Investment	20 Percentage of Ownership
			4 City	5 State								13 Unrealized Valuation Increase (Decrease)	14 Current Year's (Depreciation) or (Amortization) Accretion	15 Current Year's Other than Temporary Impairment Recognized	16 Capitalized Deferred Interest and Other	17 Total Foreign Exchange Change in B./A.C.V.			
	Monroe Gorman Title Agenc Monroe Tompkins-Watkins Ti		Lyons Ithaca	New Yo New Yo	Monroe Title Insurance Cor Monroe Title Insurance Cor		09/01/2000 02/01/1997			127,228 117,665	127,228 117,665	65,152 83,035							60,000 60,000
2099999	Other - Joint Venture, Partnership or Limited Liability Interests - Affiliated									244,893	244,893	148,187							X X X
4099999	Subtotal Affiliated									244,893	244,893	148,187							X X X
4199999	Totals									244,893	244,893	148,187							X X X

E07

**NONE    Schedule BA - Part 2**

### SCHEDULE BA - PART 3

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

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value					15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income	
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)							14 Total Foreign Exchange Change in B./A.C.V.
	Monroe Gorman Title Agency, L Monroe Tompkins-Watkins Title	Lyons Ithaca	New Yor New Yor	Distribution Distribution	09/01/2000 02/01/1997	04/01/2008 04/01/2008	176,076 70,630							114,000 36,000					
2099999	Other - Joint Venture, Partnership or Limited Liability Interests - Affiliated						246,706							150,000					
4099999	Subtotal Affiliated						246,706							150,000					
4199999	Totals						246,706							150,000					

EO9

## SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	Change in Book/Adjusted Carrying Value					Interest					Dates	
		3	4	5			8	9		11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	For e i g n	Bond CHAR	NAIC Desig- nation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase / (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
033161-BY-5	Anchorage Alaska Ser A			1	1FE	99,674	1.050	105,040	100,000	99,888		33			0.041	0.041	JD	342	4,100	06/27/2002	06/01/2012
041790-UF-1	Arlington TX			1	1FE	99,717	1.027	102,740	100,000	99,921		22			0.051	0.051	FA	1,927	5,100	08/12/1999	08/15/2012
042105-JV-9	Armada MI Area Schools			1	1FE	180,423	1.152	201,527	175,000	179,517		(246)			0.050	0.050	MN	1,458	8,750	04/26/2005	05/01/2027
051533-LY-1	Auraria Higher Ed Ctr Colorado			1	1FE	150,000	1.004	150,563	150,000	150,000					0.040	0.040	MN	370	6,000	03/06/2006	05/01/2017
087329-HH-4	Bethlehem NY CSD			1	1FE	101,461	0.994	99,420	100,000	101,214		(106)			0.043	0.043	JD		4,250	09/01/2006	06/15/2020
111709-HT-1	Brockport NY CSD			1	1FE	99,493	1.023	102,260	100,000	99,781		34			0.055	0.055	JD	244	5,500	06/26/2000	06/15/2015
116405-DC-2	Brownsville Texas CTFES Oblig Tax			1	1FE	173,392	0.965	168,882	175,000	173,471		80			0.045	0.045	AO	5,906	(503)	04/24/2008	02/15/2022
13062P-BF-8	California State			1	1FE	103,799	0.961	96,060	100,000	102,996		(213)			0.050	0.050	FA	2,083	5,000	03/21/2005	02/01/2023
137177-NE-7	Canandaigua NY City Sch Dist			1	1FE	100,353	0.870	87,020	100,000	100,331		(19)			0.044	0.044	AO	924	4,339	10/18/2007	10/15/2026
153574-BJ-6	Central High Sch Bldg Corp			1	1FE	102,270	1.048	104,800	100,000	101,555		(601)			0.043	0.043	FA	1,771	4,250	10/22/2007	08/01/2011
181059-KR-6	Clark Cnty Nev Sch Dist			1	1FE	101,841	1.044	104,430	100,000	101,569		(185)			0.045	0.045	MS	200	4,500	07/12/2007	06/15/2017
265404-CQ-4	Duneland Ind School Bldg Corp Rev			1	1FE	49,492	1.012	50,610	50,000	49,836		36			0.049	0.049	FA	1,010	2,425	05/28/1999	08/01/2013
271106-EN-2	East Bloomfield NY CSD			1	1FE	195,884	1.012	202,318	200,000	197,776		298			0.042	0.042	FA	4,573	8,400	08/28/2002	06/15/2016
276119-KC-7	Eastchester NY UFSD			1	1FE	200,000	1.011	202,154	200,000	200,000					0.044	0.044	FA	3,324	8,800	08/29/2002	08/15/2019
280785-NY-8	Edinburg Texas Cons Indpnt Sch			1	1FE	200,000	0.911	182,204	200,000	200,000					0.045	0.045	FA	3,750	9,000	08/30/2005	02/15/2027
30382L-AW-8	Fairfax Cnty VA PS I-A			1	1FE	98,799	0.893	89,320	100,000	99,032		60			0.043	0.043	AO	1,075	4,300	02/04/2005	04/01/2025
358802-XB-7	Frisco Texas ISD Ser B			1	1FE	101,186	1.025	102,540	100,000	100,795		(75)			0.045	0.045	FA	1,700	4,500	10/07/2003	08/15/2019
373059-AV-6	Georgetown TX Trans Enhanceme			1	1FE	196,592	0.951	190,282	200,000	196,868		168			0.045	0.045	FA	3,400	12,350	05/08/2007	08/15/2027
383015-DA-9	Gorham-Middlesex NY CSD			1	1FE	49,040	1.012	50,580	50,000	49,341		64			0.041	0.041	AO	435	2,063	04/21/2004	04/15/2019
397316-KP-4	Greenwood, SC			1	1FE	97,909	0.927	92,680	100,000	98,119		158			0.043	0.043	JD	354	4,250	08/30/2007	12/01/2020
411612-DL-5	Harborfields CSD NY			1	1FE	199,264	1.084	216,720	200,000	199,550		39			0.050	0.050	JD	833	10,000	10/01/2001	06/01/2020
414004-Y7-0	Harris Cnty Tex			1	1FE	98,771	0.936	93,640	100,000	98,875		68			0.045	0.045	FA	1,700	5,263	06/14/2007	08/15/2025
414007-BN-3	Harris Cnty Tex Cultural			1	1FE	102,068	0.919	91,930	100,000	101,513		(113)			0.045	0.045	JD	375	4,500	01/29/2004	06/01/2022
41981C-GQ-7	Hawaii St Hwy Rev			1	1FE	175,000	0.909	158,991	175,000	175,000					0.045	0.045	JJ	6,300	7,875	03/21/2005	07/01/2025
440614-EZ-4	Hornell NY CSD			1	1FE	99,151	1.013	101,290	100,000	99,633		82			0.038	0.038	JD	167	3,750	02/26/2003	06/15/2013
440614-EZ-4	Hornell, NY CSD			1	1FE	198,302	1.013	202,580	200,000	199,266		165			0.038	0.038	JD	333	7,500	02/26/2003	06/15/2013
442403-DM-0	Houston Texas Indpnt Sch			1	1FE	176,741	1.001	175,107	175,000	176,674		(67)			0.050	0.050	MS	3,306	3,403	03/25/2008	02/15/2028
454898-NL-7	Indiana Mun Pwr Agy			1	1FE	150,000	0.959	143,789	150,000	150,000					0.045	0.045	JJ	3,375	5,138	09/27/2007	01/01/2023
464722-Y6-8	Islip New York			1	1FE	99,772	1.008	100,790	100,000	99,800		20			0.041	0.041	FA	1,719	4,125	08/09/2007	02/01/2019
46613P-VN-3	JEA FLA Wtr & Swer Sys Rev			1	1FE	98,722	0.911	91,050	100,000	98,822		70			0.046	0.046	AO	1,156	4,625	07/26/2007	10/01/2025
478238-FP-8	Johnson City NY CSD			1	1FE	101,950	1.045	104,530	100,000	101,157		(335)			0.040	0.040	JD		4,000	08/17/2006	06/15/2012
481052-PQ-5	Joshua Texas Indp School Dist			1	1FE	147,575	0.980	146,951	150,000	147,791		151			0.046	0.046	FA	2,621	6,938	07/25/2007	08/15/2023
535465-KR-8	Lindenhurst NY UFSD			1	1FE	98,784	0.901	90,060	100,000	99,031		72			0.040	0.040	JJ	1,844	4,000	07/20/2005	07/15/2022
585693-AN-4	Melrose Park Ill Water			1	1FE	100,250	1.010	101,040	100,000	100,049		(19)			0.049	0.049	JJ	2,450	4,900	08/24/1998	07/01/2011
59259R-PZ-1	Metro Trans Auth NY			1	1FE	99,677	1.016	101,610	100,000	99,917		45			0.034	0.034	MN	434	3,400	08/13/2003	11/15/2010
59259N-RX-3	Metro Trans Auth NY			1	1FE	101,489	1.005	100,530	100,000	100,635		(338)			0.040	0.040	MN		4,000	06/21/2006	11/15/2010
59259R-PZ-1	Metro Trans Auth NY			1	1FE	99,677	1.005	100,530	100,000	99,917		45			0.034	0.034	MN	434	3,400	08/13/2003	11/15/2010



## SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	Change in Book/Adjusted Carrying Value					Interest					Dates	
		3	4	5			8	9		11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	For e i g n	Bond CHAR	NAIC Desig- nation	Actual Cost	Rate Used To Obtain Fair Value	Fair Value	Par Value	Book / Adjusted Carrying Value	Unrealized Valuation Increase / (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of	When Paid	Admitted Amount Due & Accrued	Amount Rec. During Year	Acquired	Maturity
59259N-LD-3	Metro Transn Auth NY		1		1FE	199,092	1.031	206,272	200,000	199,607		81			0.040	0.040	AF		8,000	08/15/2002	11/15/2013
592710-FK-8	Metuchen NJ School District		1		1FE	175,431	0.943	164,969	175,000	175,348		(22)			0.045	0.045	MS	4,681	7,875	03/31/2005	09/15/2024
596566-MJ-5	Middlesex County, NJ		1		1FE	101,151	1.061	106,070	100,000	100,542		(115)			0.040	0.040	MS	1,178	4,000	09/18/2003	09/15/2013
616106-HL-7	Mooreville NC		1		1FE	99,289	0.919	91,890	100,000	99,332		37			0.044	0.044	AO	1,094	4,108	10/23/2007	04/01/2027
631663-HE-4	Nassau County NY Intern		1		1FE	55,732	1.099	54,930	50,000	53,782		(480)			0.053	0.053	MN	335	2,625	12/09/2004	11/15/2016
631663-HE-4	Nassau County, NY Intern		1		1FE	222,926	1.099	219,720	200,000	215,129		(1,921)			0.053	0.053	MN	1,342	10,500	12/09/2004	11/15/2016
643408-PG-6	New Castle NY Ser A		1		1FE	200,000	1.009	201,820	200,000	200,000					0.030	0.030	JD	500	6,000	03/05/2003	06/01/2009
64966F-SQ-8	New York NY		1		1FE	105,972	1.045	104,510	100,000	104,661		(543)			0.050	0.050	FA		5,000	08/01/2006	08/01/2017
649716-QQ-3	New York NY City Transitional Fin		1		1FE	101,634	1.073	107,280	100,000	100,783		(99)			0.058	0.058	MN	735	5,750	06/13/2000	11/15/2016
64971K-LA-2	New York NY CTFA		1		1FE	99,822	1.042	104,150	100,000	99,917		16			0.040	0.040	FA	1,667	4,000	02/20/2003	02/01/2014
64966E-DV-6	New York NY Ser K		1		1FE	103,679	0.965	96,510	100,000	102,923		(200)			0.050	0.050	FA	2,083	5,000	03/21/2005	08/01/2023
64966D-DE-6	New York NY Series B		1		1FE	49,725	1.010	50,500	50,000	49,968		55			0.032	0.032	FA	667	1,600	07/29/2004	08/01/2009
649901-N4-3	New York St Dorm Auth		1		1FE	49,869	1.027	51,330	50,000	49,973		18			0.032	0.032	JJ	1,600	1,600	03/05/2003	07/01/2010
64986A-VY-4	New York St Environmental		1		1FE	99,688	1.061	106,070	100,000	99,750		44			0.040	0.040	MS	1,178	4,000	07/26/2007	09/15/2014
64983W-XR-2	New York State Dorm Authority		1		1FE	102,496	1.021	102,090	100,000	101,376		(131)			0.061	0.061	JJ	3,050	6,100	06/13/2000	07/01/2019
649787-YY-8	New York State Ser C		1		1FE	99,929	1.028	102,810	100,000	99,979		9			0.035	0.035	AO	739	3,500	05/15/2003	04/15/2011
650013-T2-1	New York State Twy Auth		1		1FE	106,026	1.045	104,480	100,000	104,880		(476)			0.050	0.050	MS		5,000	08/03/2006	04/01/2019
64966F-MP-6	New York, NY		1		1FE	99,171	0.905	90,540	100,000	99,353		55			0.041	0.041	MS	1,134	4,125	09/22/2005	09/01/2020
650842-M5-3	Newburgh NY		1		1FE	101,362	1.028	102,830	100,000	100,842		(152)			0.040	0.040	JJ	1,844	4,000	07/27/2005	07/15/2014
649839-UE-5	NYS Dormitory Authority		1		1FE	81,961	0.990	94,069	95,000	88,480		718			0.048	0.048	FA	1,880	4,513	11/30/1999	02/01/2018
64985M-YJ-9	NYS Environmental Facs		1		1FE	198,420	1.036	207,140	200,000	199,087		97			0.048	0.048	JD	427	9,600	01/31/2002	06/15/2018
650013-XE-0	NYS Twy Auth		1		1FE	200,000	1.091	218,220	200,000	200,000					0.050	0.050	AO	2,500	10,000	10/25/2001	04/01/2021
692160-BF-0	Oyster Bay NY		1		1FE	101,868	1.022	102,230	100,000	101,501		(156)			0.043	0.043	FA		4,250	08/24/2006	08/15/2018
720424-UD-0	Pierce County Washington		1		1FE	102,397	0.981	98,120	100,000	101,734		(134)			0.045	0.045	JD	375	4,500	01/21/2004	12/01/2021
729067-CT-3	Pleasantville NY UFSD		1		1FE	203,648	1.038	207,658	200,000	202,084		(212)			0.050	0.050	MN	1,667	10,000	08/14/2001	11/01/2018
751413-KG-9	Ramapo NY CSD		1		1FE	98,159	1.005	100,490	100,000	98,860		97			0.048	0.048	AO	1,188	4,750	10/11/2001	10/01/2020
751413-KH-7	Ramapo NY CSD		1		1FE	97,479	1.004	100,380	100,000	98,391		126			0.048	0.048	AO	1,188	4,750	10/11/2001	10/01/2021
756537-CR-5	Red Creek New York Schools		1		1FE	100,372	1.037	103,660	100,000	100,101		(41)			0.042	0.042	JD	187	4,200	05/14/2002	06/15/2011
773556-7D-1	Rockland County, NY		1		1FE	100,000	1.017	101,730	100,000	100,000					0.033	0.033	JD	271	3,250	06/03/2003	06/01/2014
820667-PJ-6	Shawnee Kans Ser A		1		1FE	100,329	1.065	106,540	100,000	100,156		(26)			0.045	0.045	JD	375	4,500	06/17/2002	12/01/2014
823194-GK-5	Shenendehowa Cent Sch Dist Ny Cli		1		1FE	99,433	1.162	116,150	100,000	99,789		33			0.050	0.050	MN	833	5,000	05/01/1998	05/01/2015
839142-FJ-0	South Orangetown, NY		1		1FE	100,408	0.929	92,890	100,000	100,352		(27)			0.040	0.040	JD		4,000	12/07/2006	12/01/2021
850752-KM-7	Springfield Mass		1		1FE	100,000	0.994	99,380	100,000	100,000					0.045	0.045	FA	1,875	4,500	07/02/2007	08/01/2022
864766-3Z-1	Suffolk County NY		1		1FE	99,941	0.894	89,420	100,000	99,945		4			0.041	0.041	MN	687	4,125	11/05/2007	11/01/2023
896029-7Y-5	Triborough Bridge & Tunnel NY		1		1FE	99,962	1.020	102,016	100,000	99,991		5			0.034	0.034	MN	431	3,375	10/08/2002	11/15/2010
91523N-EX-0	University of Washington Rev		1		1FE	177,923	1.013	177,321	175,000	177,724		(199)			0.040	0.040	JD	583	3,986	05/06/2008	12/01/2017
939745-D4-4	Washington State Ser S-1		1		1FE	106,998	1.003	100,250	100,000	104,006		(572)			0.050	0.050	MN	2,500	5,000	10/09/2003	01/01/2016
968852-UF-8	Will County Illinois Sch Dist #122		1		1FE	154,955	0.964	144,662	150,000	154,532		(330)			0.048	0.048	MS	1,781	7,125	09/21/2007	10/01/2022

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## SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes			6 NAIC Designation	7 Actual Cost	Fair Value		10 Par Value	Change in Book/Adjusted Carrying Value					Interest					Dates	
		3 Code	4 F o r e i g n	5 Bond CHAR			8 Rate Used To Obtain Fair Value	9 Fair Value		11 Book / Adjusted Carrying Value	12 Unrealized Valuation Increase / (Decrease)	13 Current Year's (Amortization) / Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Foreign Exchange Change in B./A.C.V.	16 Rate of	17 Effective Rate of	18 When Paid	19 Admitted Amount Due & Accrued	20 Amount Rec. During Year	21 Acquired	22 Maturity
1199999	Issuer Obligations					9,145,765	X X X	9,137,665	9,095,000	9,134,518		(5,048)			X X X	X X X	X X X	104,468	388,398	X X X	X X X
1799999	Subtotals – States, Territories and Possessions (Direct and Guaranteed)					9,145,765	X X X	9,137,665	9,095,000	9,134,518		(5,048)			X X X	X X X	X X X	104,468	388,398	X X X	X X X
5499999	Totals – Issuer Obligations					9,145,765	X X X	9,137,665	9,095,000	9,134,518		(5,048)			X X X	X X X	X X X	104,468	388,398	X X X	X X X
6099999	Total Bonds					9,145,765	X X X	9,137,665	9,095,000	9,134,518		(5,048)			X X X	X X X	X X X	104,468	388,398	X X X	X X X

E102

**NONE    Schedule D - Part 2 - Section 1**

### SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book/ Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 F o r e i g n			7 Rate per Share Used to Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
165167-10-7	Chesapeake Energy Corp			966,000	15,620	16.170	15,620	39,403		72		(23,782)		(23,782)		L	09/24/2008
165167-10-7	Chesapeake Energy Corp			808,000	13,065	16.170	13,065	18,172				(5,107)		(5,107)		L	10/23/2008
209115-10-4	Consolidated Edison			1,268,000	49,363	38.930	49,363	57,769		2,967		(12,579)		(12,579)		L	09/04/2007
669999	Public Utilities (Unaffiliated)				78,048	X X X	78,048	115,344		3,039		(41,468)		(41,468)		X X X	X X X
060505-10-4	Bank of America Corp			1,070,000	15,066	14.080	15,066	42,265		1,712			27,199	(27,199)		L	04/23/2008
064058-10-0	Bank of New York Mellon			988,000	27,990	28.330	27,990	40,065		474		(12,075)		(12,075)		L	06/14/2008
172967-10-1	Citigroup Inc			1,665,000	11,172	6.710	11,172	42,707		1,332			31,535	(31,535)		L	04/23/2008
172967-10-1	Citigroup Inc			740,000	4,965	6.710	4,965	19,173		592			14,208	(14,208)		L	04/29/2008
316773-10-0	Fifth Third Bancorp			1,950,000	16,107	8.260	16,107	42,686		585			26,579	(26,579)		L	03/07/2008
46625H-10-0	JP Morgan Chase			1,000,000	31,530	31.530	31,530	46,330		760		(14,800)		(14,800)		L	04/10/2008
46625H-10-0	JP Morgan Chase			986,000	31,089	31.530	31,089	39,596		749		(8,508)		(8,508)		L	06/20/2008
867914-10-3	Suntrust Banks Inc			850,000	25,109	29.540	25,109	50,471		1,768			25,362	(25,362)		L	03/17/2008
949746-10-1	Wells Fargo & Co			1,000,000	29,480	29.480	29,480	20,033		990		(871)		(871)		L	02/29/2008
949746-10-1	Wells Fargo & Co			650,000	19,162	29.480	19,162	31,550		644		(2,070)		(2,070)		L	03/17/2008
679999	Banks, Trust and Insurance Companies (Unaffiliated)				211,670	X X X	211,670	374,876		9,606		(38,324)	124,883	(163,207)		X X X	X X X
002824-10-0	Abbott Labs			1,162,000	62,016	53.370	62,016	69,146		418		(7,130)		(7,130)		L	09/30/2008
00971T-10-1	Akamai Technologies Inc.			1,650,000	24,899	15.090	24,899	52,734					27,836	(27,836)		L	01/30/2008
037833-10-0	Apple Computer			534,000	45,577	85.350	45,577	36,537				(60,198)		(60,198)		L	09/25/2006
00206R-10-2	AT&T Inc			2,427,000	69,170	28.500	69,170	75,722		971		(6,553)		(6,553)		L	08/27/2008
057224-10-7	Baker Hughes Inc			805,000	25,816	32.070	25,816	57,715		451		(7,570)	31,899	(39,469)		L	02/12/2007
09253U-10-8	Blackstone Group			2,150,000	14,040	6.530	14,040	41,001		1,935			26,961	(26,961)		L	04/23/2008
149123-10-1	Caterpillar Inc.			350,000	15,635	44.670	15,635	26,005		546		(9,762)		(9,762)		L	06/01/2006
149123-10-1	Caterpillar Inc.			140,000	6,254	44.670	6,254	11,388		118		(5,134)		(5,134)		L	04/29/2008
171232-10-1	Chubb Corp			2,300,000	117,300	51.000	117,300	79,529		2,944		(8,234)		(8,234)		L	07/17/2008
17275R-10-2	Cisco Systems Inc.			2,050,000	33,415	16.300	33,415	50,389				(16,974)		(16,974)		L	01/25/2008
189754-10-4	Coach, Inc.			1,400,000	29,078	20.770	29,078	45,836				(16,758)		(16,758)		L	04/23/2008
189754-10-4	Coach, Inc.			890,000	18,485	20.770	18,485	18,393				93		93		L	12/16/2008
192446-10-2	Cognizant Technology Solutions			1,900,000	34,314	18.060	34,314	52,309				(17,995)		(17,995)		L	01/30/2008
194162-10-3	Colgate Palmolive Co			780,000	53,461	68.540	53,461	46,555		1,217		(7,348)		(7,348)		L	08/04/2006
222816-10-0	Covance Inc			1,411,000	64,948	46.030	64,948	63,937				(57,272)		(57,272)		L	05/04/2005
126650-10-0	CVS Caremark			4,100,000	117,834	28.740	117,834	53,022		876		(45,141)		(45,141)		L	11/25/2002
254687-10-6	Disney Walt Co New			1,600,000	36,304	22.690	36,304	50,288		192		(13,984)		(13,984)		L	03/17/2008
254687-10-6	Disney Walt Co New			800,000	18,152	22.690	18,152	25,212		98		(7,060)		(7,060)		L	04/10/2008

(a) For all common stocks bearing the NAIC market indicator 'U' provide: the number of such issues ..... 0, the total \$ value (included in Column 8) of all such issues \$ ..... 0

## SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book/ Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 F o r e i g n			7 Rate per Share Used to Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
285512-10-9	Electronic Arts Inc			529,000	8,485	16,040	8,485	23,947				(22,414)		(22,414)	L	08/22/2006	
285512-10-9	Electronic Arts Inc			500,000	8,020	16,040	8,020	8,650				(630)		(630)	L	12/22/2008	
302182-10-0	Express Scripts Inc. CL A			1,174,000	64,547	54,980	64,547	39,390				(21,155)		(21,155)	L	11/28/2006	
30231G-10-2	Exxon Mobil Corp			2,400,000	191,592	79,830	191,592	84,628		3,376		(33,264)		(33,264)	L	05/02/2003	
369604-10-3	General Electric Company			2,445,000	39,609	16,200	39,609	83,511		3,032		(7,125)	43,902	(51,027)	L	09/25/2006	
38259P-50-8	Google Inc - CL A			195,000	59,992	307,650	59,992	77,372				(17,380)		(17,380)	L	10/08/2008	
42809H-10-7	Hess Corporation			300,000	16,092	53,640	16,092	16,638				(546)		(546)	L	10/22/2008	
458140-10-0	Intel Corporation			2,500,000	36,650	14,660	36,650	45,208		1,369		(30,000)		(30,000)	L	08/04/2006	
459200-10-1	Intl Business Machines Corp			490,000	41,238	84,160	41,238	40,822		931		(11,731)		(11,731)	L	09/25/2006	
464287-46-5	Ishares Inc - MSCI EAFE			1,345,000	60,337	44,860	60,337	100,862		10,331		(4,721)	40,525	(45,246)	L	08/28/2007	
464287-46-5	Ishares Inc - MSCI EAFE			1,350,000	60,561	44,860	60,561	97,066		2,497			36,505	(36,505)	L	02/01/2008	
464287-46-5	Ishares Inc - MSCI EAFE			1,535,000	68,860	44,860	68,860	110,305		2,839			41,445	(41,445)	L	03/17/2008	
464287-46-5	Ishares Inc - MSCI EAFE			2,000,000	89,720	44,860	89,720	150,660		3,699			60,940	(60,940)	L	04/23/2008	
464287-46-5	Ishares Inc - MSCI EAFE			280,000	12,561	44,860	12,561	20,222		518			7,661	(7,661)	L	06/18/2008	
464287-65-5	Ishares Inc - Russell 2000			650,000	32,006	49,240	32,006	46,644		571			14,638	(14,638)	L	02/29/2008	
464287-65-5	Ishares Inc - Russell 2000			745,000	36,684	49,240	36,684	50,325		654			13,641	(13,641)	L	03/17/2008	
464287-65-5	Ishares Inc - Russell 2000			1,400,000	68,936	49,240	68,936	100,800		1,075			31,864	(31,864)	L	04/23/2008	
464287-50-7	Ishares Inc-S&P Midcap 400			575,000	30,665	53,330	30,665	47,374		625			16,710	(16,710)	L	02/26/2008	
464287-50-7	Ishares Inc-S&P Midcap 400			650,000	34,665	53,330	34,665	50,187		706			15,522	(15,522)	L	03/17/2008	
464287-50-7	Ishares Inc-S&P Midcap 400			1,220,000	65,063	53,330	65,063	101,626		1,114			36,563	(36,563)	L	04/23/2008	
450911-10-2	ITT Corporation			450,000	20,696	45,990	20,696	28,476		79		(7,780)		(7,780)	L	06/18/2008	
466367-10-9	Jack in the Box			1,546,000	34,151	22,090	34,151	42,669				(8,517)		(8,517)	L	05/09/2008	
478160-10-4	Johnson & Johnson			1,455,000	87,053	59,830	87,053	87,281		2,612		(9,996)		(9,996)	L	08/17/2006	
478366-10-7	Johnson CTLS Inc			801,000	14,546	18,160	14,546	22,188		417		(14,322)		(14,322)	L	01/28/2008	
478366-10-7	Johnson CTLS Inc			1,030,000	18,705	18,160	18,705	35,854		268		(17,150)		(17,150)	L	04/23/2008	
482480-10-0	KLA-Tencor Corp			950,000	20,701	21,790	20,701	41,097		428		(20,397)		(20,397)	L	04/23/2008	
50075N-10-4	Kraft Foods Inc. CL A			1,825,000	49,001	26,850	49,001	57,980		2,008		(10,549)		(10,549)	L	09/04/2007	
50540R-40-9	Laboratory Corp America Hldg			309,000	19,903	64,410	19,903	24,316				(3,436)		(3,436)	L	09/26/2007	
50540R-40-9	Laboratory Corp America Hldg			400,000	25,764	64,410	25,764	29,800				(4,036)		(4,036)	L	04/10/2008	
548661-10-7	Lowe's Cos Inc			1,835,000	39,489	21,520	39,489	46,059		312		(6,569)		(6,569)	L	04/23/2008	
589331-10-7	Merck & Co Inc.			475,000	14,440	30,400	14,440	45,759		361		(10,799)		(10,799)	L	03/17/2008	
589331-10-7	Merck & Co Inc.			1,150,000	34,960	30,400	34,960	20,266		874		(5,826)		(5,826)	L	04/23/2008	
589331-10-7	Merck & Co Inc.			400,000	12,160	30,400	12,160	16,216		304		(4,056)		(4,056)	L	04/29/2008	
594918-10-4	Microsoft Corp			3,425,000	66,582	19,440	66,582	80,228		1,576		(55,348)		(55,348)	L	03/01/2002	
61166W-10-1	Monsanto Co NEW			502,000	35,316	70,350	35,316	22,138		417		(20,753)		(20,753)	L	11/06/2006	
61166W-10-1	Monsanto Co NEW			200,000	14,070	70,350	14,070	15,834		166		(8,268)		(8,268)	L	09/24/2006	
617446-44-8	Morgan Stanley			1,050,000	16,842	16,040	16,842	50,747		851			33,905	(33,905)	L	04/10/2008	

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(a) For all common stocks bearing the NAIC market indicator 'U' provide: the number of such issues ..... 0, the total \$ value (included in Column 8) of all such issues \$ ..... 0

### SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	Codes		5 Number of Shares	6 Book/ Adjusted Carrying Value	Fair Value		9 Actual Cost	Dividends			Change in Book/Adjusted Carrying Value				17 NAIC Market Indicator (a)	18 Date Acquired
		3 Code	4 F o r e i g n			7 Rate per Share Used to Obtain Fair Value	8 Fair Value		10 Declared But Unpaid	11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
655844-10-8	Norfolk Southern Corp			425,000	19,996	47,050	19,996	24,386		395		(4,390)		(4,390)	L	04/10/2008	
67066G-10-4	Nvidia Corp			2,400,000	19,368	8,070	19,368	48,016				(33,632)	28,648	(62,280)	L	04/18/2007	
674599-10-5	Occidental Pete Corp			457,000	27,415	59,990	27,415	20,454		521		(7,769)		(7,769)	L	10/16/2006	
674599-10-5	Occidental Pete Corp			450,000	26,996	59,990	26,996	21,083		513		(7,650)		(7,650)	L	02/12/2007	
713448-10-8	Pepsico Inc			2,800,000	153,356	54,770	153,356	127,780		4,467		(59,164)		(59,164)	L	07/14/2004	
74005P-10-4	Praxair Inc			853,000	50,634	59,360	50,634	48,669		1,280		(25,036)		(25,036)	L	09/20/2006	
742718-10-9	Procter & Gamble Co Com			836,000	51,682	61,820	51,682	46,799		1,296		(9,698)		(9,698)	L	08/04/2006	
747525-10-3	Qualcomm Inc			1,250,000	44,788	35,830	44,788	51,200		575		(6,413)		(6,413)	L	01/30/2008	
747525-10-3	Qualcomm Inc			350,000	12,541	35,830	12,541	14,980		112		(2,439)		(2,439)	L	04/29/2008	
755111-50-7	Raytheon Co			1,661,000	84,777	51,040	84,777	62,977		1,831		(16,045)		(16,045)	L	09/29/2004	
74144T-10-8	T.Rowe Price Group			316,000	11,199	35,440	11,199	11,804		379		(8,039)		(8,039)	L	07/12/2006	
74144T-10-8	T.Rowe Price Group			920,000	32,605	35,440	32,605	50,980		662		(18,375)		(18,375)	L	04/10/2008	
87612E-10-6	Target Corp			970,000	33,494	34,530	33,494	50,288		446		(16,793)		(16,793)	L	03/17/2008	
87612E-10-6	Target Corp			475,000	16,402	34,530	16,402	25,079		219		(8,678)		(8,678)	L	04/10/2008	
89417E-10-9	Travelers Companies Inc.			650,000	29,380	45,200	29,380	32,311		774		(2,931)		(2,931)	L	02/29/2008	
89417E-10-9	Travelers Companies Inc.			400,000	18,080	45,200	18,080	19,513		360		(1,433)		(1,433)	L	03/17/2008	
913017-10-9	United Technologies Corp			1,023,000	54,827	53,600	54,827	31,299		1,376		(23,468)		(23,468)	L	04/29/2003	
925524-30-8	Viacom Inc. Cl B			1,475,000	28,114	19,060	28,114	71,316				6,534	43,202	(36,668)	L	02/04/2005	
689999	Industrial and Miscellaneous (Unaffiliated)				3,053,014	X X X	3,053,014	3,577,797		68,982		(889,207)	552,367	(1,441,574)	X X X	X X X	
729999	Total Common Stocks				3,342,732	X X X	3,342,732	4,068,017		81,627		(968,999)	677,250	(1,646,249)	X X X	X X X	
739999	Total Preferred and Common Stocks				3,342,732	X X X	3,342,732	4,068,017		81,627		(968,999)	677,250	(1,646,249)	X X X	X X X	

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(a) For all common stocks bearing the NAIC market indicator 'U' provide: the number of such issues ..... 0, the total \$ value (included in Column 8) of all such issues \$ ..... 0

**SCHEDULE D - PART 3**

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
442403-DM-0	Houston Texas Indpt Sch		03/25/2008	Bank of America		176,741	175,000.00	583
116405-DC-2	Brownsville Texas CTFS Oblig Tax		04/24/2008	Bank of America		173,392	175,000.00	503
91523N-EX-0	University of Washington Rev		05/06/2008	Bank of America		177,923	175,000.00	
1799999	Subtotal - Bonds - States, Territories and Possessions				X X X	528,056	525,000.00	1,086
6099997	Subtotal - Bonds - Part 3				X X X	528,056	525,000.00	1,086
6099999	Total - Bonds				X X X	528,056	525,000.00	1,086
165167-10-7	Chesapeake Energy Corp		09/24/2008	HSBC	966.000	39,403		
165167-10-7	Chesapeake Energy Corp		10/23/2008	HSBC	808.000	18,172		
6699999	Subtotal - Common Stocks - Public Utilities (Unaffiliated)				X X X	57,575	X X X	
060505-10-4	Bank of America Corp		04/23/2008	HSBC	1,070.000	42,265		
064058-10-0	Bank of New York Mellon		06/17/2008	HSBC	988.000	40,065		
172967-10-1	Citigroup Inc		04/23/2008	HSBC	1,665.000	42,707		
172967-10-1	Citigroup Inc		04/29/2008	HSBC	740.000	19,173		
316773-10-0	Fifth Third Bancorp		04/23/2008	HSBC	1,950.000	42,686		
46625H-10-0	JP Morgan Chase		06/20/2008	HSBC	986.000	39,596		
46625H-10-0	JP Morgan Chase & Co		04/10/2008	HSBC	1,000.000	46,330		
867914-10-3	Suntrust Banks Inc		03/17/2008	HSBC	850.000	50,471		
949746-10-1	Wells Fargo & Co		02/29/2008	HSBC	1,000.000	31,550		
949746-10-1	Wells Fargo & Co		03/17/2008	HSBC	650.000	20,033		
6799999	Subtotal - Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)				X X X	374,876	X X X	
002824-10-0	Abbott Labs		09/30/2008	HSBC	1,162.000	69,146		
00971T-10-1	Akamai Technologies Inc.		01/30/2008	HSBC	1,650.000	52,734		
00206R-10-2	AT&T Inc		08/27/2008	HSBC	2,427.000	75,722		
09253U-10-8	Blackstone Group		04/23/2008	HSBC	2,150.000	41,001		
149123-10-1	Caterpillar Inc.		04/29/2008	HSBC	140.000	11,388		
17275R-10-2	Cisco Systems Inc.		04/10/2008	HSBC	2,050.000	50,389		
189754-10-4	Coach Inc		04/23/2008	HSBC	1,400.000	45,836		
189754-10-4	Coach Inc		12/16/2008	HSBC	890.000	18,393		
192446-10-2	Cognizant Technology Solutions		01/30/2008	HSBC	1,900.000	52,309		
254687-10-6	Disney Walt Co New		03/17/2008	HSBC	1,600.000	50,288		
254687-10-6	Disney Walt Co New		04/10/2008	HSBC	800.000	25,212		
285512-10-9	Electronic Arts Inc		12/22/2008	HSBC	500.000	8,650		
38259P-50-8	Google Inc-CL A		10/08/2008	HSBC	195.000	77,372		
42809H-10-7	Hess Corporation		10/22/2008	HSBC	300.000	16,638		

### SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
464287-50-7	Ishares Inc S&P Midcap 400		04/23/2008	HSBC	1,220.000	101,626		
464287-50-7	Ishares Inc S&P Midcap 400		03/17/2008	HSBC	650.000	50,187		
464287-50-7	Ishares Inc.-Mid Cap Index		02/29/2008	HSBC	575.000	47,374		
464287-46-5	Ishares Inc.-MSCI-EAFE Index		04/23/2008	HSBC	2,000.000	150,660		
464287-46-5	Ishares Inc.-MSCI-EAFE Index		03/17/2008	HSBC	1,535.000	110,305		
464287-46-5	Ishares Inc.-MSCI-EAFE Index		02/01/2008	HSBC	1,350.000	97,066		
464287-46-5	Ishares Inc.-MSCI-EAFE Index		06/18/2008	HSBC	280.000	20,222		
464287-65-5	Ishares Inc.-Russell 2000 Index		04/23/2008	HSBC	1,400.000	100,800		
464287-65-5	Ishares Inc.-Russell 2000 Index		03/17/2008	HSBC	745.000	50,325		
464287-65-5	Ishares Inc.-Russell 2000 Index		02/29/2008	HSBC	650.000	46,644		
450911-10-2	ITT Corporation		06/18/2008	HSBC	450.000	28,476		
466367-10-9	Jack In The Box Inc		05/09/2008	HSBC	1,546.000	42,669		
478366-10-7	Johnson Ctls Inc		04/23/2008	HSBC	1,030.000	35,854		
482480-10-0	KLA-Tencor Corp		04/23/2008	HSBC	950.000	41,097		
46625H-10-0	Laboratory Corp		04/10/2008	HSBC	400.000	29,800		
548661-10-7	Lowes Cos Inc		04/23/2008	HSBC	1,835.000	46,059		
589331-10-7	Merck & Co Inc		04/23/2008	HSBC	1,150.000	45,759		
589331-10-7	Merck & Co Inc		03/17/2008	HSBC	475.000	20,266		
589331-10-7	Merck & Co Inc		04/29/2008	HSBC	400.000	16,216		
617446-44-8	Morgan Stanley		04/10/2008	HSBC	1,050.000	50,747		
655844-10-8	Norfolk Southern Corp		04/10/2008	HSBC	425.000	24,386		
747525-10-3	Qualcomm Inc		01/30/2008	HSBC	1,250.000	51,200		
747525-10-3	Qualcomm inc.		04/29/2008	HSBC	350.000	14,980		
74144T-10-8	T. Rowe Price Group Inc		04/10/2008	HSBC	920.000	50,980		
87612E-10-6	Target Corp		03/17/2008	HSBC	970.000	50,288		
87612E-10-6	Target Corp		04/10/2008	HSBC	475.000	25,079		
89417E-10-9	Travelers Companies Inc		03/17/2008	HSBC	400.000	19,513		
89417E-10-9	Travelers Companies Inc.		02/29/2008	HSBC	650.000	32,312		
6899999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)				X X X	1,995,968	X X X	
7299997	Subtotal - Common Stocks - Part 3				X X X	2,428,419	X X X	
7299998	Summary Item from Part 5 for Common Stocks				X X X	900,325	X X X	
7299999	Total -Common Stocks				X X X	3,328,744	X X X	
7399999	Total - Preferred and Common Stocks				X X X	3,328,744	X X X	
7499999	Totals				X X X	3,856,800	X X X	1,086

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### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
88275M-PZ-1	Texas St Pub Fin		02/01/2008	HSBC		75,750	75,000.00	74,719	74,880		1		1		74,881		869	869	1,875	02/15/2015
49474E-AV-5	King County Washington		03/13/2008	HSBC		101,000	100,000.00	101,349	100,944		(19)		(19)		100,925		75	75	3,325	01/01/2018
49151E-UG-6	KY St Ppty & Bldgs		03/07/2008	BofA		147,695	150,000.00	149,637	149,849		10		10		149,859		(2,164)	(2,164)	1,755	10/01/2010
64971M-AF-9	New York, NY Transitional Finance		03/07/2008	BofA		141,565	140,000.00	140,364	140,193		(5)		(5)		140,188		1,377	1,377	2,069	11/15/2014
64971M-AC-6	New York, NY Transitional Finance		03/07/2008	BofA		10,093	10,000.00	10,026	10,014						10,013		80	80	148	11/15/2014
73358T-BC-4	Port Authority NY & NJ		03/07/2008	BofA		149,487	150,000.00	150,528	150,208		(15)		(15)		150,193		(706)	(706)	2,658	07/15/2010
88275M-QK-3	Texas St Pub Fin		09/10/2008	HSBC		25,250	25,000.00	24,906	24,960		4		4		24,964		286	286	1,382	02/01/2015
1799999	Subtotal - Bonds - States, Territories and Possessions				X X X	650,840	650,000.00	651,529	651,048		(24)		(24)		651,023		(183)	(183)	13,212	X X X
6099997	Subtotal - Bonds - Part 4				X X X	650,840	650,000.00	651,529	651,048		(24)		(24)		651,023		(183)	(183)	13,212	X X X
6099999	Total - Bonds				X X X	650,840	650,000.00	651,529	651,048		(24)		(24)		651,023		(183)	(183)	13,212	X X X
064058-10-0	Bank of New York Mellon		01/16/2008	HSBC		2,748.00	128,772	79,356	133,992		(54,637)		(54,637)		79,356		49,416	49,416		
6799999	Subtotal - Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)				X X X	128,772	X X X	79,356	133,992		(54,637)		(54,637)		79,356		49,416	49,416		X X X
00724F-10-1	Adobe Sys Inc.		01/25/2008	HSBC		1,750.00	58,919	55,943	74,778		(18,835)		(18,835)		55,943		2,976	2,976		
057224-10-7	Baker Hughes Inc		08/22/2008	HSBC		100.00	7,833	7,325	8,111		(786)		(786)		7,325		508	508	41	
073325-10-2	BEA Sys Inc		02/20/2008	HSBC		4,880.00	91,255	59,292	77,006		(17,714)		(17,714)		59,292		31,963	31,963		
086516-10-1	Best Buy Company Inc		03/13/2008	HSBC		800.00	31,712	37,352	42,120		(4,768)		(4,768)		37,352		(5,640)	(5,640)	104	
171232-10-1	Chubb Corp		07/17/2008	HSBC		440.00	20,861	16,565	24,015		(7,450)		(7,450)		16,565		4,296	4,296	418	
17275R-10-2	Cisco Systems Inc.		01/25/2008	HSBC		2,600.00	58,369	49,750	70,382		(20,633)		(20,633)		49,750		8,620	8,620		
17285T-10-6	Citadel Broadcasting Corp		01/09/2008	HSBC		123.00	208	628	253		375		375		628		(420)	(420)		
126650-10-0	CVS Caremark		10/23/2008	HSBC		100.00	2,729	1,372	3,975		(2,603)		(2,603)		1,372		1,357	1,357	24	
126650-10-0	CVS Caremark Corp		07/25/2008	HSBC		200.00	7,672	2,407	7,950		(5,543)		(5,543)		2,407		5,265	5,265	14	
126650-10-0	CVS Caremark Corp		06/18/2008	HSBC		500.00	21,164	7,135	19,875		(12,740)		(12,740)		7,135		14,029	14,029	60	
126650-10-0	CVS Caremark Corp		08/22/2008	HSBC		500.00	18,755	6,264	19,875		(13,611)		(13,611)		6,264		12,491	12,491	12	
126650-10-0	CVS Caremark Corp		02/22/2008	HSBC		698.00	27,850	11,825	27,746		(15,921)		(15,921)		11,825		16,025	16,025	42	
24702R-10-1	Dell Inc		01/14/2008	HSBC		1,975.00	40,739	49,257	48,407		849		849		49,257		(8,518)	(8,518)		
254687-10-6	Disney Walt Co New		01/14/2008	HSBC		1,603.00	47,464	47,072	51,745		(4,673)		(4,673)		47,072		392	392	561	
26817G-10-2	Dynegy Inc. CL A		01/23/2008	HSBC		18,729.00	121,930	68,529	133,725		(65,196)		(65,196)		68,529		53,400	53,400		
30231G-10-2	Exxon Mobil Corporation		07/25/2008	HSBC		50.00	4,149	1,771	4,685		(2,913)		(2,913)		1,771		2,378	2,378	94	
30231G-10-2	Exxon Mobil Corporation		10/23/2008	HSBC		100.00	7,076	3,543	9,369		(5,826)		(5,826)		3,543		3,533	3,533	194	
30231G-10-2	Exxon Mobil Corporation		08/22/2008	HSBC		200.00	15,582	7,086	18,738		(11,652)		(11,652)		7,086		8,496	8,496	380	
30231G-10-2	Exxon Mobil Corporation		12/22/2008	HSBC		218.00	17,887	7,723	20,424		(12,701)		(12,701)		7,723		10,163	10,163	338	
30231G-10-2	Exxon Mobil Corporation		06/18/2008	HSBC		500.00	43,915	17,714	46,845		(29,131)		(29,131)		17,714		26,200	26,200	400	
30231G-10-2	Exxon Mobil Corporation		03/26/2008	HSBC		579.00	48,433	17,371	54,247		(36,876)		(36,876)		17,371		31,062	31,062	203	
30231G-10-2	Exxon Mobil Corporation		05/29/2008	HSBC		680.00	60,540	24,453	63,709		(39,257)		(39,257)		24,453		36,088	36,088	544	
42809H-10-7	Hess Corporation		07/25/2008	HSBC		100.00	9,868	4,844	10,086		(5,242)		(5,242)		4,844		5,024	5,024	20	
42809H-10-7	Hess Corporation		09/30/2008	HSBC		400.00	36,944	19,377	40,344		(20,967)		(20,967)		19,377		17,567	17,567	122	
42809H-10-7	Hess Corporation		03/31/2008	HSBC		516.00	46,403	24,996	52,044		(27,048)		(27,048)		24,996		21,407	21,407	52	

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### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date
464287-46-5	Ishares Inc - MSCI EAFE Index		01/28/2008	HSBC	2,600.00	170,566		201,031	204,100	(3,069)			(3,069)		201,031		(30,464)	(30,464)		
464287-46-5	Ishares Inc - MSCI EAFE Index		01/25/2008	HSBC	1,200.00	79,643		98,772	94,200	4,572			4,572		98,772		(19,129)	(19,129)	2,448	
464287-50-7	Ishares Inc S&P Midcap 400		01/25/2008	HSBC	1,187.00	86,709		100,218	100,824	(605)			(605)		100,218		(13,509)	(13,509)	319	
464287-65-5	Ishares Inc-Russell 2000 Index		01/14/2008	HSBC	1,250.00	86,199		100,300	94,900	5,400			5,400		100,300		(14,101)	(14,101)	334	
450911-10-2	ITT Corporation		03/26/2008	HSBC	1,775.00	91,491		87,951	117,211	(29,260)			(29,260)		87,951		3,540	3,540	559	
478366-10-7	Johnson CTLS Inc		01/28/2008	HSBC	300.00	9,939		11,715	10,812	903			903		11,715		(1,776)	(1,776)	39	
713448-10-8	Pepsico Inc		07/25/2008	HSBC	100.00	6,590		3,249	7,590	(4,341)			(4,341)		3,249		3,341	3,341	117	
713448-10-8	Pepsico Inc		08/22/2008	HSBC	400.00	28,036		12,994	30,360	(17,366)			(17,366)		12,994		15,042	15,042	484	
755111-50-7	Raytheon Company		07/25/2008	HSBC	97.00	5,485		2,754	5,888	(3,134)			(3,134)		2,754		2,731	2,731	51	
755111-50-7	Raytheon Company		12/22/2008	HSBC	1,000.00	50,685		32,478	60,700	(28,222)			(28,222)		32,478		18,206	18,206	1,110	
89417E-10-9	Travelers Companies Inc.		01/25/2008	HSBC	800.00	35,321		41,948	43,040	(1,092)			(1,092)		41,948		(6,627)	(6,627)		
913017-10-9	United Technologies Corp		11/14/2008	HSBC	577.00	30,958		19,677	44,164	(24,487)			(24,487)		19,677		11,281	11,281	554	
91324P-10-2	Unitedhealth Group Inc.		02/19/2008	HSBC	1,900.00	86,610		86,786	110,580	(23,794)			(23,794)		86,786		(176)	(176)		
983024-10-0	Wyeth		02/08/2008	HSBC	1,725.00	73,156		82,461	76,228	6,233			6,233		82,461		(9,305)	(9,305)		
6899999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)				X X X	1,689,645	X X X	1,431,928	1,931,051	(499,124)			(499,124)		1,431,928		257,716	257,716	9,638	X X X
7299997	Subtotal - Common Stocks - Part 4				X X X	1,818,417	X X X	1,511,284	2,065,043	(553,761)			(553,761)		1,511,284		307,132	307,132	9,638	X X X
7299998	Summary Item from Part 5 for Common Stocks				X X X	641,439	X X X	900,325	0						900,325		(258,890)	(258,890)	3,648	X X X
7299999	Total - Common Stocks				X X X	2,459,856	X X X	2,411,609	2,065,043	(553,761)			(553,761)		2,411,609		48,242	48,242	13,286	X X X
7399999	Total - Preferred and Common Stocks				X X X	2,459,856	X X X	2,411,609	2,065,043	(553,761)			(553,761)		2,411,609		48,242	48,242	13,286	X X X
7499999	Totals					3,110,696	X X X	3,063,138	2,716,091	(553,761)	(24)		(553,785)		3,062,632		48,059	48,059	26,498	X X X

E14.1

## SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value					17	18	19	20	21	
											12	13	14	15	16						
CUSIP Identification	Description	Forfeiture	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stock)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (12+13-14)	Total Foreign Exchange Change in B./A.C.V.	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends	
060505-10-4	Bank of America Corp		02/29/2008	HSBC	03/11/2008	HSBC	800.00	34,336	29,120	34,336							(5,216)	(5,216)	512		
172967-10-1	Citigroup Inc		01/10/2008	HSBC	01/25/2008	HSBC	2,055.00	57,806	46,237	57,806							(11,569)	(11,569)			
172967-10-1	Citigroup Inc		02/29/2008	HSBC	03/07/2008	HSBC	1,300.00	32,825	27,784	32,825							(5,041)	(5,041)			
939322-10-3	Washington Mutual Inc		05/20/2008	HSBC	07/17/2008	HSBC	3,911.00	39,025	16,856	39,025							(22,169)	(22,169)			
6799999	Subtotal - Common Stocks - Banks, Trust and Insurance Companies (Unaffiliated)							X X X	163,992	119,997	163,992							(43,995)	(43,995)	512	
026874-10-7	American International Group Inc.		05/19/2008	HSBC	09/29/2008	HSBC	723.00	28,501	3,032	28,501							(25,469)	(25,469)	304		
026874-10-7	American International Group		01/10/2008	HSBC	02/14/2008	HSBC	725.00	40,463	34,220	40,463							(6,244)	(6,244)			
026874-10-7	American International Group Inc.		04/10/2008	HSBC	09/29/2008	HSBC	1,000.00	48,050	4,170	48,050							(43,880)	(43,880)	420		
035229-10-3	Anheuser Busch Cos Inc		07/02/2008	HSBC	11/18/2008	HSBC	941.00	58,455	65,870	58,455							7,415	7,415	696		
09253U-10-8	Blackstone Group		02/29/2008	HSBC	03/12/2008	HSBC	1,500.00	26,035	21,840	26,035							(4,195)	(4,195)			
189754-10-4	Coach Inc		01/30/2008	HSBC	03/20/2008	HSBC	1,600.00	49,595	41,970	49,595							(7,625)	(7,625)			
254687-10-6	Disney Walt Co New		01/10/2008	HSBC	01/28/2008	HSBC	965.00	30,262	26,276	30,262							(3,986)	(3,986)			
316773-10-0	Fifth Third Bancorp		01/30/2008	HSBC	03/07/2008	HSBC	2,000.00	51,757	43,805	51,757							(7,953)	(7,953)			
313586-10-9	FNMA		04/10/2008	HSBC	04/15/2008	HSBC	1,650.00	51,597	43,546	51,597							(8,052)	(8,052)	285		
313586-10-9	FNMA		01/30/2008	HSBC	02/19/2008	HSBC	1,500.00	52,290	44,325	52,290							(7,965)	(7,965)	240		
313586-10-9	FNMA		04/23/2008	HSBC	09/11/2008	HSBC	1,415.00	41,983	920	41,983							(41,063)	(41,063)	495		
313586-10-9	FNMA		04/29/2008	HSBC	09/11/2008	HSBC	650.00	18,766	443	18,766							(18,323)	(18,323)	331		
410345-10-2	Hanesbrands Inc		02/09/2008	HSBC	12/16/2008	HSBC	1,650.00	39,937	18,750	39,937							(21,187)	(21,187)			
42809H-10-7	Hess Corporation		09/24/2008	HSBC	09/30/2008	HSBC	343.00	29,782	31,676	29,782							1,894	1,894	99		
548661-10-7	Lowes Cos Inc		02/29/2008	HSBC	03/18/2008	HSBC	1,300.00	32,565	27,573	32,565							(4,992)	(4,992)			
589331-10-7	Merck & Co Inc.		02/29/2008	HSBC	04/03/2008	HSBC	700.00	32,529	27,330	32,529							(5,199)	(5,199)	266		
617446-44-8	Morgan Stanley		01/30/2008	HSBC	02/12/2008	HSBC	1,000.00	52,272	44,800	52,272							(7,473)	(7,473)			
656568-50-8	Nortel Networks Corp		06/04/2008	HSBC	06/12/2008	HSBC	47.00	358	358								358	358			
806605-10-1	Schering Plough Corp		02/29/2008	HSBC	03/18/2008	HSBC	1,400.00	31,314	26,488	31,314							(4,826)	(4,826)			
806605-10-1	Schering Plough Corp		03/17/2008	HSBC	04/03/2008	HSBC	1,000.00	20,180	14,050	20,180							(6,130)	(6,130)			
6899999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)							X X X	736,333	521,442	736,333							(214,895)	(214,895)	3,136	
7299998	Total - Common Stocks							X X X	900,325	641,439	900,325							(258,890)	(258,890)	3,648	
7399999	Subtotal - Stocks							X X X	900,325	641,439	900,325							(258,890)	(258,890)	3,648	
7499999	Totals							X X X	900,325	641,439	900,325							(258,890)	(258,890)	3,648	

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**NONE    Schedule D - Part 6 - Section 1 and 2**

### SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 Description	Codes		4 Date Acquired	5 Name of Vendor	6 Maturity Date	7 Book / Adjusted Carrying Value	Change in Book/Adjusted Carrying Value				12 Par Value	13 Actual Cost	Interest					20 Paid for Accrued Interest
	2 Cod	3 n					8 Unrealized Valuation Increase / (Decrease)	9 Current Year's (Amortization) Accretion	10 Current Year's Other Than Temporary Impairment Recognized	11 Total Foreign Exchange Change in B./A.C.V.			14 Amount Due and Accrued Dec. 31 of Current Year on Bond Not in Default	15 Non-Admitted Due And Accrued	16 Rate of	17 Effective Rate of	18 When Paid	
Goldman Finl Square Fedl Portfolio			01/01/2008	HSBC Bank USA	01/01/2009	225,788					225,788	115	0.710	0.710	mon	17,549		
Goldman Finl Square Fedl Portfolio			01/01/2008	HSBC Bank USA	01/01/2009	144,476					144,476	103	0.710	0.710	mon	2,478		
Columbia Government Plus Reserves Ca			01/01/2008	Bank of America	01/01/2009	107,631					107,631	113	0.850	0.850	mon	3,448		
7699999 Other Short-Term Invested Assets						477,895					X X X 477,895	331	X X X	X X X	X X X	23,475		
7799999 Subtotals – Parent, Subsidiaries and Affiliates						477,895					X X X 477,895	331	X X X	X X X	X X X	23,475		
8299999 TOTALS						477,895					X X X 477,895	331	X X X	X X X	X X X	23,475		

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- NONE**    **Schedule DB - Part A - Section 1 and 2**
- NONE**    **Schedule DB - Part A - Section 3 and Part B - Section 1**
- NONE**    **Schedule DB - Part B - Section 2 and 3**
- NONE**    **Schedule DB - Part C - Section 1 and 2**
- NONE**    **Schedule DB - Part C - Section 3 and Part D - Section 1**
- NONE**    **Schedule DB - Part D - Section 2 and 3**
- NONE**    **Schedule DB - Part E - Section 1**

**SCHEDULE E - PART 1 - CASH**

1	2	3	4	5	6	7
Depository	Code	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
OPEN DEPOSITORIES						
HSBC Bank USA Rochester, NY	O	0.000	0	0	142,412	
HSBC Bank USA Rochester, NY	O	0.000	0	0	2,116	
HSBC Bank USA Rochester, NY	O	0.000	13,355	0	432,039	
Oneida Savings Bank Oneida, NY	O	0.000	0	0	0	
0199998 Deposits in ( ) depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	X X X	X X X	0	0	0	X X X
0199999 Totals - Open Depositories	X X X	X X X	13,355	0	576,567	X X X
SUSPENDED DEPOSITORIES						
0299998 Deposits in ( ) depositories that do not exceed the allowable limit in any one depository (See Instructions) - Suspended Depositories	X X X	X X X	0	0	0	X X X
0299999 Totals - Suspended Depositories	X X X	X X X	0	0	0	X X X
0399999 Total Cash on Deposit	X X X	X X X	13,355	0	576,567	X X X
0499999 Cash in Company's Office	X X X	X X X	X X X	X X X	3,250	X X X
0599999 Total Cash	X X X	X X X	13,355	0	579,817	X X X

**TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR**

1. January	690,097	4. April	755,849	7. July	384,806	10. October	681,453
2. February	527,319	5. May	202,255	8. August	434,425	11. November	650,377
3. March	450,802	6. June	295,252	9. September	597,502	12. December	576,483

**NONE**    **Schedule E - Part 2**

**NONE**    **Schedule E - Part 3**