

**Texas Title Insurance  
Affiliated Agency Experience**

	Calendar Year 1996		Calendar Year 1997	
	Amount	% of Gross Income	Amount	% of Gross Income
<b>INCOME</b>				
1. Title Premiums	97,314,156	102.70%	241,885,906	103.04%
2. Premiums Remitted to Underwriters	18,495,170	19.52%	42,927,858	18.29%
3. Premiums Retained	78,818,986	83.18%	198,958,048	84.75%
4. Examination/Evidence Fees	1,952,732	2.06%	3,523,954	1.50%
5. Closing Fees	4,648,068	4.91%	12,061,520	5.14%
6. Tax Certificates	2,421,523	2.56%	3,723,822	1.59%
7. Recording Fees	3,999,601	4.22%	8,664,824	3.69%
8. Restrictions	406,325	0.43%	853,365	0.36%
9. Inspection Fees	5,072	0.01%	48,625	0.02%
10. Courier and Overnight Fees	1,748,297	1.84%	4,955,601	2.11%
11. Telephone and Facsimile	5,129	0.01%	6,835	0.00%
12. Interest Income	13,712	0.01%	525,579	0.22%
13. Other Income	739,446	0.78%	1,429,483	0.61%
<b>GROSS INCOME</b>	<b>94,758,891</b>	<b>100.00%</b>	<b>234,751,656</b>	<b>100.00%</b>
<b>EXPENSES</b>				
1a. Salaries-Employees	33,681,827	35.54%	91,070,011	38.79%
1b. Salaries-Owners/Partners		0.00%	200,064	0.09%
2a. Benefits, Relations & Welfare-Employees	8,028,950	8.47%	14,905,343	6.35%
2b. Benefits, Relations & Welfare - Owners/Partners		0.00%	16,755	0.01%
3a. Evidence/Examination Fees - Title Agents	2,162,575	2.28%	6,361,436	2.71%
3b. Evidence/Examination Fees - Others	37,596	0.04%	977,727	0.42%
4a. Closing Fees Paid - Title Agents	2,986,489	3.15%	5,398,387	2.30%
4b. Closing Fees Paid - Others	8,154,902	8.61%	26,031,719	11.09%
5. Rent	5,963,584	6.29%	12,203,323	5.20%
6. Utilities	418,680	0.44%	992,733	0.42%
7. Accounting & Auditing	200,208	0.21%	1,409,713	0.60%
8. Advertising	864,097	0.91%	4,425,067	1.88%
9. Travel, Lodging & Education	1,532,928	1.62%	1,916,249	0.82%
10. Insurance	252,619	0.27%	797,188	0.34%
11. Interest Expense	326	0.00%	419,649	0.18%
12. Legal Expense	156,148	0.16%	498,799	0.21%
13. Licenses, Taxes, & Fees	318,473	0.34%	1,362,286	0.58%
14. Postage & Freight	602,200	0.64%	1,004,854	0.43%
15. Courier & Overnight Delivery	1,985,719	2.10%	6,135,255	2.61%
16. Telephone & Facsimile	1,625,301	1.72%	3,421,468	1.46%
17. Printing & Photocopying	796,648	0.84%	1,563,143	0.67%
18. Office Supplies	1,426,669	1.51%	3,204,277	1.36%
19. Equipment & Vehicle Leases	1,881,988	1.99%	3,178,881	1.35%
20. Depreciation	1,754,223	1.85%	4,125,864	1.76%
21. Directors Fees	27,690	0.03%	59,460	0.03%
22. Dues, Boards, & Associations	271,835	0.29%	587,338	0.25%
23. Bad Debts	34,773	0.04%	56,636	0.02%
24. Loss & Loss Adjustment Expense	192,056	0.20%	434,718	0.19%
25. Tax Certificates Paid Tax Authorities	1,523,669	1.61%	3,064,895	1.31%
26. Recording Fees Paid County Clerk	3,900,952	4.12%	8,305,568	3.54%
27. Plant Lease/Updates	1,985,193	2.09%	5,763,241	2.46%
28. Damages for Bad Faith Suits	0	0.00%	0	0.00%
29. Fines or Penalties	0	0.00%	256	0.00%
30. Donations/Lobbying	158,617	0.17%	627,756	0.27%
31. Trade Association Fees	22,458	0.02%	98,634	0.04%
32. Other Expenses	2,959,314	3.12%	7,008,534	2.99%
<b>TOTAL OPERATING EXPENSES</b>	<b>85,908,707</b>	<b>90.66%</b>	<b>217,627,227</b>	<b>92.71%</b>
<b>INCOME OR (LOSS) FROM OPERATIONS</b>	<b>8,850,184</b>	<b>9.34%</b>	<b>17,124,429</b>	<b>7.29%</b>

**LIABILITY DISTRIBUTION REPORT**

ALL COMPANIES  
 ALL TRANSACTION TYPES  
 For the Experience Period January 1, 1997 - December 31, 1997

Liability Range (\$000) [5]			
More Than	But No More Than	Number of Transactions	Gross Revenue Excluding Special Charges and Credits And Endorsements [7]
	0	10,572	3,365,384
0	4.5	7,601	2,142,799
4.5	10	21,260	5,285,946
10	20	48,022	12,106,042
20	30	50,118	15,925,045
30	40	51,804	19,104,846
40	50	54,389	22,127,444
50	60	57,475	25,193,691
60	70	59,660	30,373,400
70	80	57,454	30,388,316
80	90	51,971	29,599,892
90	100	42,793	25,979,096
100	200	186,079	150,798,182
200	300	39,335	47,706,902
300	400	13,967	22,486,047
400	500	7,105	13,500,991
500	1,000	9,609	31,413,267
1,000	2,000	4,020	24,138,379
2,000	3,000	1,545	18,522,122
3,000	4,000	838	10,864,160
4,000	5,000	567	9,932,192
5,000	15,000	1,462	40,129,674
15,000	25,000	321	14,928,205
25,000	50,000	143	11,621,927
50,000	75,000	32	4,187,653
75,000	100,000	12	1,471,118
Over 100000		7	1,193,970
ALL		778,161	624,486,691

Source: Schedule S-3, Texas Title Insurance Statistical Plan

**AMERICAN LAND TITLE ASSOCIATION  
UNIFORM FINANCIAL REPORTING PLAN  
BALANCE SHEET SUMMARY**

**All Companies, Calendar Year Ending 12/31/97**

	Texas	Elsewhere	Total
<b>ASSETS</b>			
<b>Admitted Assets</b>			
1. Abstract Plants and Title Plants	44,216,297	191,604,584	235,820,881
2. Other Identifiable Admitted Assets	52,808,854	602,765,065	655,573,919
3. Non-Identifiable Admitted Assets	386,997,700	2,327,855,370	2,714,853,070
4. Subtotal (1 + 2 + 3)	484,022,851	3,122,225,019	3,606,247,870
<b>Non-Admitted Assets</b>			
5. Abstract Plants and Title Plants	3,873,246	18,008,786	21,882,032
6. Other Identifiable Non-Admitted Assets	13,358,562	75,783,632	89,142,194
7. Non-Identifiable Non-Admitted Assets	26,358,269	371,597,731	397,956,000
8. Subtotal (5 + 6 + 7)	43,590,077	465,390,149	508,980,226
9. TOTAL ASSETS (4 + 8)	527,612,928	3,587,615,168	4,115,228,096
<b>LIABILITIES, SURPLUS AND OTHER FUNDS</b>			
10. Loss Reserves	16,316,147	247,171,238	263,487,385
11. Statutory Reinsurance Reserves	119,859,129	1,366,224,808	1,486,083,937
12. Surplus As Regards Policyholders	223,488,734	984,602,356	1,208,091,090
13. Contribution to Surplus of Non-Admitted Assets	49,703,981	458,468,515	508,172,496
14. Net Worth (12 + 13)	273,192,715	1,443,070,871	1,716,263,586
15. Total Debt Funds	19,788,349	51,334,549	71,122,898
16. Capital (10 + 11 + 14 + 15)	429,156,340	3,107,801,466	3,536,957,806
17. Other Liabilities	98,456,587	479,813,701	578,270,288
18. TOTAL LIABILITIES, SURPLUS AND OTHER FUNDS (16 + 17)	527,612,927	3,587,615,167	4,115,228,094

**Texas Title Insurance  
Direct Operation Agency Experience**

	<u>Calendar Year 1996</u>		<u>Calendar Year 1997</u>	
	Amount	% of Gross Income	Amount	% of Gross Income
<b>INCOME</b>				
1. Title Premiums	75,199,530	102.23%	151,023,413	102.72%
2. Premiums Remitted to Underwriters	14,027,001	19.07%	26,840,505	18.26%
3. Premiums Retained	61,172,529	83.16%	124,182,908	84.46%
4. Examination/Evidence Fees	1,667,712	2.27%	7,028,862	4.78%
5. Closing Fees	2,206,598	3.00%	2,299,291	1.56%
6. Tax Certificates	2,236,394	3.04%	2,716,772	1.85%
7. Recording Fees	3,031,024	4.12%	5,061,644	3.44%
8. Restrictions	92,806	0.13%	235,400	0.16%
9. Inspection Fees	927	0.00%	1,375	0.00%
10. Courier and Overnight Fees	2,089,551	2.84%	2,504,487	1.70%
11. Telephone and Facsimile	31,755	0.04%	37,033	0.03%
12. Interest Income	742,937	1.01%	955,742	0.65%
13. Other Income	284,438	0.39%	2,002,907	1.36%
<b>GROSS INCOME</b>	73,556,671	100.00%	147,026,421	100.00%
<b>EXPENSES</b>				
1a. Salaries-Employees	27,401,677	37.25%	51,713,006	35.17%
1b. Salaries-Owners/Partners	274,239	0.37%	0	0.00%
2a. Benefits, Relations & Welfare-Employees	4,843,523	6.58%	10,172,027	6.92%
2b. Benefits, Relations & Welfare - Owners/Partners		0.00%	0	0.00%
3a. Evidence/Examination Fees - Title Agents	3,083,245	4.19%	7,538,772	5.13%
3b. Evidence/Examination Fees - Others	88,241	0.12%	590,653	0.40%
4a. Closing Fees Paid - Title Agents	938,394	1.28%	2,017,733	1.37%
4b. Closing Fees Paid - Others	6,371,932	8.66%	17,046,916	11.59%
5. Rent	3,779,347	5.14%	7,420,935	5.05%
6. Utilities	143,439	0.20%	327,644	0.22%
7. Accounting & Auditing	58,954	0.08%	171,759	0.12%
8. Advertising	655,821	0.89%	2,078,178	1.41%
9. Travel, Lodging & Education	930,763	1.27%	1,293,010	0.88%
10. Insurance	158,030	0.21%	366,652	0.25%
11. Interest Expense	73,844	0.10%	72,029	0.05%
12. Legal Expense	202,509	0.28%	138,222	0.09%
13. Licenses, Taxes, & Fees	835,932	1.14%	2,091,590	1.42%
14. Postage & Freight	300,808	0.41%	817,972	0.56%
15. Courier & Overnight Delivery	2,056,888	2.80%	2,412,138	1.64%
16. Telephone & Facsimile	1,071,244	1.46%	2,181,236	1.48%
17. Printing & Photocopying	657,558	0.89%	657,648	0.45%
18. Office Supplies	1,195,688	1.63%	2,258,955	1.54%
19. Equipment & Vehicle Leases	1,328,291	1.81%	2,764,303	1.88%
20. Depreciation	1,140,554	1.55%	2,225,270	1.51%
21. Directors Fees	0	0.00%	0	0.00%
22. Dues, Boards, & Associations	93,532	0.13%	347,001	0.24%
23. Bad Debts	8,891	0.01%	68,183	0.05%
24. Loss & Loss Adjustment Expense	5,000	0.01%	113,400	0.08%
25. Tax Certificates Paid Tax Authorities	2,106,794	2.86%	2,347,027	1.60%
26. Recording Fees Paid County Clerk	2,847,549	3.87%	4,803,281	3.27%
27. Plant Lease/Updates	1,646,269	2.24%	3,068,180	2.09%
28. Damages for Bad Faith Suits	0	0.00%	0	0.00%
29. Fines or Penalties	0	0.00%	20,718	0.01%
30. Donations/Lobbying	95,791	0.13%	158,995	0.11%
31. Trade Association Fees	80,608	0.11%	56,486	0.04%
32. Other Expenses	961,271	1.31%	4,736,004	3.22%
<b>TOTAL OPERATING EXPENSES</b>	65,436,626	88.96%	132,075,923	89.83%
<b>INCOME OR (LOSS) FROM OPERATIONS</b>	8,120,045	11.04%	14,950,498	10.17%

11/12/98

**AMERICAN LAND TITLE ASSOCIATION  
UNIFORM FINANCIAL REPORTING PLAN  
INCOME STATEMENT SUMMARY**

**All Companies, Calendar Year Ending 12/31/97**

	Texas	Elsewhere	Total
<b>INCOME FROM OPERATIONS</b>			
1. Underwriting and Examination Fees	694,854,977	4,389,086,463	5,083,941,440
2. Escrow, Settlement, and Other Fees	69,744,221	699,853,398	769,597,619
3. Subtotal (1 + 2)	764,599,198	5,088,939,861	5,853,539,059
4. Reinsurance Assumed	714,256	14,412,760	15,127,016
5. Reinsurance Ceded	977,100	12,293,342	13,270,442
6. Net Increase in Statutory Reserves	8,850,830	89,100,589	97,951,419
7. Subtotal (3 + 4 - 5 - 6)	755,485,524	5,001,958,690	5,757,444,214
8. Loss and Loss Adjustment Expenses	16,216,138	227,912,465	244,128,603
9. Commissions/Retentions	353,487,787	2,493,076,644	2,846,564,431
10. Other Identifiable Expenses	235,609,279	1,755,040,543	1,990,649,822
11. Non-Identifiable Expenses	89,529,490	448,298,423	537,827,913
12. Subtotal (8 + 9 + 10 + 11)	694,842,694	4,924,328,075	5,619,170,769
13. Interest Expense	1,300,704	5,939,987	7,240,691
14. Operating Expense (12 + 13)	696,143,398	4,930,268,062	5,626,411,460
15. TOTAL INCOME FROM OPERATIONS (7 - 14)	59,342,126	71,690,628	131,032,754
<b>INCOME FROM INVESTMENTS</b>			
16. Investment Income - Tax Exempt - Before Expenses	3,586,263	25,182,138	28,768,401
17. Investment Income - Dividends - Before Expenses	2,112,453	9,578,011	11,690,464
18. Investment Income - Other - Before Expenses	15,031,870	121,543,971	136,575,841
19. Net Realized Capital Gains (Losses)	3,194,403	22,507,868	25,702,271
20. Net Unrealized Capital Gains (Losses)	3,235,892	12,363,823	15,599,715
21. Investment Expenses and Other Deductions (Excludes Interest Paid on Borrowed Money, Notes and Encumbrances on Real Estate, See Line 13)	1,206,146	7,740,230	8,946,376
22. TOTAL INCOME FROM INVESTMENTS (16 + 17 + 18 + 19+ 20 - 21)	25,954,735	183,435,581	209,390,316

**Texas Title Insurance  
Independent Agency Experience**

	Calendar Year 1996		Calendar Year 1997	
	Amount	% of Gross Income	Amount	% of Gross Income
<b>INCOME</b>				
1. Title Premiums	441,606,606	105.45%	296,674,911	103.12%
2. Premiums Remitted to Underwriters	83,934,493	20.04%	52,793,025	18.35%
3. Premiums Retained	357,672,113	85.41%	243,881,886	84.77%
4. Examination/Evidence Fees	11,115,500	2.65%	9,078,708	3.16%
5. Closing Fees	10,324,025	2.47%	6,713,864	2.33%
6. Tax Certificates	7,094,187	1.69%	4,664,318	1.62%
7. Recording Fees	14,876,997	3.55%	9,917,148	3.45%
8. Restrictions	1,235,755	0.30%	646,067	0.22%
9. Inspection Fees	49,834	0.01%	42,716	0.01%
10. Courier and Overnight Fees	7,474,488	1.78%	4,539,243	1.58%
11. Telephone and Facsimile	359,269	0.09%	454,545	0.16%
12. Interest Income	1,212,451	0.29%	912,258	0.32%
13. Other Income	7,354,138	1.76%	6,850,837	2.38%
<b>GROSS INCOME</b>	<b>418,768,757</b>	<b>100.00%</b>	<b>287,701,590</b>	<b>100.00%</b>
<b>EXPENSES</b>				
1a. Salaries-Employees	148,833,691	35.54%	93,804,821	32.60%
1b. Salaries-Owners/Partners	18,475,897	4.41%	20,038,521	6.97%
2a. Benefits, Relations & Welfare-Employees	21,040,361	5.02%	13,188,089	4.58%
2b. Benefits, Relations & Welfare - Owners/Partners	2,318,874	0.55%	2,226,497	0.77%
3a. Evidence/Examination Fees - Title Agents	12,175,239	2.91%	8,897,262	3.09%
3b. Evidence/Examination Fees - Others	12,687,787	3.03%	10,673,875	3.71%
4a. Closing Fees Paid - Title Agents	7,787,672	1.86%	6,595,287	2.29%
4b. Closing Fees Paid - Others	37,638,800	8.99%	17,404,065	6.05%
5. Rent	20,179,842	4.82%	13,084,791	4.55%
6. Utilities	2,522,744	0.60%	2,002,344	0.70%
7. Accounting & Auditing	3,825,422	0.91%	2,228,846	0.77%
8. Advertising	3,338,439	0.80%	3,680,571	1.28%
9. Travel, Lodging & Education	6,021,727	1.44%	2,561,609	0.89%
10. Insurance	3,549,574	0.85%	2,825,775	0.98%
11. Interest Expense	2,764,038	0.66%	2,638,334	0.92%
12. Legal Expense	1,826,950	0.44%	1,616,285	0.56%
13. Licenses, Taxes, & Fees	3,595,877	0.86%	2,374,614	0.83%
14. Postage & Freight	2,322,009	0.55%	1,449,033	0.50%
15. Courier & Overnight Delivery	8,383,069	2.00%	5,139,442	1.79%
16. Telephone & Facsimile	6,960,241	1.66%	4,792,808	1.67%
17. Printing & Photocopying	2,012,979	0.48%	1,137,992	0.40%
18. Office Supplies	8,604,124	2.05%	6,404,738	2.23%
19. Equipment & Vehicle Leases	5,609,119	1.34%	3,509,990	1.22%
20. Depreciation	8,110,723	1.94%	5,356,204	1.86%
21. Directors Fees	605,217	0.14%	577,736	0.20%
22. Dues, Boards, & Associations	1,266,628	0.30%	826,230	0.29%
23. Bad Debts	157,778	0.04%	111,266	0.04%
24. Loss & Loss Adjustment Expense	718,508	0.17%	580,066	0.20%
25. Tax Certificates Paid Tax Authorities	6,153,765	1.47%	4,015,457	1.40%
26. Recording Fees Paid County Clerk	14,277,045	3.41%	9,787,507	3.40%
27. Plant Lease/Updates	12,371,190	2.95%	7,463,307	2.59%
28. Damages for Bad Faith Suits	7,263	0.00%	8,117	0.00%
29. Fines or Penalties	48,169	0.01%	39,975	0.01%
30. Donations/Lobbying	684,096	0.16%	628,903	0.22%
31. Trade Association Fees	323,801	0.08%	318,613	0.11%
32. Other Expenses	13,897,656	3.32%	8,734,888	3.04%
<b>TOTAL OPERATING EXPENSES</b>	<b>401,096,314</b>	<b>95.78%</b>	<b>266,723,858</b>	<b>92.71%</b>
<b>INCOME OR (LOSS) FROM OPERATIONS</b>	<b>17,672,443</b>	<b>4.22%</b>	<b>20,977,732</b>	<b>7.29%</b>

**TEXAS TITLE INSURANCE**

**NUMBER OF POLICIES WRITTEN**

**1988 - 1997**

Calendar Year	<u>Underwriters</u>		<u>Direct Operations</u>		<u>Affiliated Agents</u>		<u>Independent Agents</u>	
	Total	Excluding "All Other"	Total	Excluding "All Other"	Total	Excluding "All Other"	Total	Excluding "All Other"
1988	665,456	539,255	- - -	- - -	91,218	70,579	459,073	366,072
1989	601,577	484,001	45,828	38,598	108,575	78,907	402,848	311,531
1990	629,815	508,857	46,421	41,010	125,034	90,992	456,295	333,877
1991	606,727	475,900	36,322	28,940	142,754	99,092	500,111	377,196
1992	711,253	521,768	58,018	44,025	201,350	118,880	723,924	441,768
1993	1,249,161	656,454	75,337	57,627	307,695	114,855	965,905	586,240
1994	1,663,653	788,331	94,965	69,124	233,335	103,009	889,869	596,814
1995	1,077,960	660,395	95,411	75,343	198,598	97,313	693,337	528,333
1996	1,335,858	761,186	100,024	81,615	223,768	104,857	800,148	554,858
1997	1,158,663	740,042	251,623	140,216	337,245	217,153	608,855	392,248

**Texas Title Insurance  
Underwriting Company Experience**

	Calendar Year 1996		Calendar Year 1997	
	Amount	% of Gross Income	Amount	% of Gross Income
<b>INCOME</b>				
1. Gross Title Premiums	630,557,974	524.16%	688,988,754	546.24%
2. Title Premiums Retained by Agents	513,330,690	426.71%	564,936,489	447.89%
3. Title Premiums Remitted to Underwriters	117,227,284	97.45%	124,052,265	98.35%
4. Service Charges	917,942	0.76%	1,462,153	1.16%
5. Other Income	2,153,584	1.79%	618,300	0.49%
<b>GROSS INCOME</b>	120,298,810	100.00%	126,132,718	100.00%
<b>EXPENSES</b>				
1. Salaries:	18,039,404	15.00%	19,605,409	15.54%
2. Employee Benefits, Relations & Welfare	6,058,999	5.04%	6,213,333	4.93%
3. Examination Costs Paid Nonemployees:				
a. Title Agents	85,844	0.07%	2,175,903	1.73%
b. Others	6,329	0.01%	271,101	0.21%
4. Closing Costs Paid Nonemployees:				
a. Title Agents	792,091	0.66%		
b. Others	-			
5. Rent	2,357,123	1.96%	2,509,898	1.99%
6. Utilities	4,939	0.00%	6,386	0.01%
7. Accounting & Auditing	690,379	0.57%	527,635	0.42%
8. Advertising and promotions	1,379,795	1.15%	2,607,620	2.07%
9. Employee travel, lodging and education	3,618,376	3.01%	3,098,670	2.46%
10. Insurance	582,517	0.48%	426,342	0.34%
11. Interest	82,757	0.07%	271,234	0.22%
12. Legal Expenses	1,900,714	1.58%	793,829	0.63%
13. Licenses, Taxes & Fees	9,501,389	7.90%	10,450,807	8.29%
14. Postage & Freight	783,318	0.65%	871,712	0.69%
15. Courier & Overnight Delivery	106,351	0.09%	224,345	0.18%
16. Telephone & Facsimile	702,248	0.58%	862,983	0.68%
17. Printing/Photocopying	1,268,555	1.05%	2,087,897	1.66%
18. Office Supplies	720,986	0.60%	730,116	0.58%
19. Equipment & Vehicle Leases	981,811	0.82%	656,073	0.52%
20. Depreciation	1,412,783	1.17%	2,554,838	2.03%
21. Directors' Fees	22,800	0.02%	83,075	0.07%
22. Dues, Boards & Associations	387,746	0.32%	318,544	0.25%
23. Bad Debts	468,988	0.39%	-171,961	-0.14%
24. Loss Adjustment Expenses Incurred	5,235,103	4.35%	7,774,810	6.16%
25. Losses Incurred	4,649,155	3.86%	6,389,564	5.07%
26. Other	3,462,156	2.88%	6,323,749	5.01%
27. Allowances to Managers & Agents	142,612	0.12%		
28. Net Addition to Unearned Premium Reserve	7,107,228	5.91%	8,825,522	7.00%
29. Damages Paid for Bad Faith Suits	-			
30. Fines or Penalties for Violation of Law	147	0.00%		
31. Donations/Lobbying	54,471	0.05%	43,070	0.03%
32. Trade Associations	100,474	0.08%	256,316	0.20%
<b>TOTAL OPERATING EXPENSES</b>	72,707,588	60.44%	86,788,820	68.81%
<b>INCOME OR (LOSS) FROM OPERATIONS</b>	47,591,222	39.56%	39,343,898	31.19%

Revised 01/21/1999



**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$ \_\_\_\_\_  
 Surplus \$ \_\_\_\_\_  
 Investment in Abstract  
 Plant (Book Value) \$ \_\_\_\_\_  
 Dividend Rate \_\_\_\_\_ %

Name of Company: **ALL COMPANIES**

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
Types of Income		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		135,340,652	367,331,138	175,603,478			678,275,268
2	Premiums allocated to agency function-other than home office issue		111,551,963	299,580,253	145,018,263			556,150,479
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	122,124,789						122,124,789
4	Gross premiums - home office issue	4,235,129	832		6,477,525			10,713,486
5	Premiums allocated to agency function - home office issue		0	4,197,468	4,588,542			8,786,010
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	1,927,476						1,927,476
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	4,235,129	135,341,484	367,331,138	182,081,003			688,988,754
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		111,551,963		149,606,805			261,158,768
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	124,052,265						124,052,265
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					3,592,990		3,592,990
11	Investment income-dividends-before expenses					2,115,453		2,115,453
12	Investment income-other-before expenses					15,053,292		15,053,292
13	Net realized capital gains (losses)					3,193,627		3,193,627
14	Net unrealized capital gains (losses)					3,251,543		3,251,543
15	<b>Total</b> (Sum of lines 10 through 14)					27,206,905		27,206,905
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						701,162	701,162
17	Service charges (from Form 4)	1,462,153	13,682,480		36,311,412	0	3,007,917	54,463,962
18	Escrow & abstract fees						14,581,062	14,581,062
19	Miscellaneous (from Form 4)	618,300	1,635,442		21,889,725	0	5,886,829	30,030,296
20	<b>Total</b> (Sum of lines 16 through 19)	2,080,453	15,317,922		58,201,137	0	24,176,970	99,776,482
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	126,132,718	126,869,885		207,807,942	27,206,905	24,176,970	512,194,420
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged		Total	
		374,088	69,492	296,462	418,621		1,158,663	

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: ALL COMPANIES

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		45,332,096	84,705,600		13,669,380	143,707,076
1b	Salaries - owners & partners		0	200,064		27,976	228,040
1c	Salaries - Total	19,605,409			156,747		19,762,156
2	Employee benefits, relations & welfare	6,213,333	9,138,517	13,544,253	23,532	2,312,896	31,232,531
3a	Fees paid for title examination & furnishing title evidence - Title Agents	2,175,903	7,326,246	5,470,802			14,972,951
3b	Fees paid for title examination & furnishing title evidence - Others	271,101	70,966	457,138			799,205
4a	Closing costs paid non-employees - Title Agents	0	3,280,446	4,609,604			7,890,050
4b	Closing costs paid non-employees - Others	0	12,473,882	25,315,410			37,789,292
5	Rent	2,509,898	6,573,393	10,922,653	15,640	1,998,173	22,019,757
6	Utilities	6,386	160,396	936,113	0	122,344	1,225,239
7	Accounting & auditing	527,635	171,618	1,391,599	0	208,838	2,299,690
◆	8 Advertising and promotions	2,607,620	1,378,594	4,185,585	0	678,598	8,850,397
◆	9 Employee travel, lodging and education	3,098,670	929,574	1,578,569	324	467,013	6,074,150
10	Insurance	426,342	243,822	659,732	8,147	245,561	1,583,604
11	Interest expense	271,234	269	409,906	3,534	370,035	1,054,978
12	Legal expense	793,829	75,809	485,102	99,401	83,453	1,537,594
13	Licenses, taxes & fees	10,450,807	2,050,683	1,305,352	0	304,798	14,111,640
14	Postage & freight	871,712	782,529	936,961	3,874	319,913	2,914,989
15	Courier & overnight delivery	224,345	1,352,803	5,658,918	0	4,068	7,240,134
16	Telephone & facsimile	862,983	1,839,200	3,110,972	9,514	673,403	6,496,072
17	Printing & photocopying	2,087,897	647,097	1,392,000	2,059	255,644	4,384,697
18	Office supplies	730,116	1,931,522	3,055,588	6,447	545,932	6,269,605
19	Equipment & vehicle leases	656,073	2,759,716	3,053,212	0	564,406	7,033,407
20	Depreciation	2,554,838	1,870,047	3,682,072	62,795	862,524	9,032,276

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: ALL COMPANIES

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees	83,075	0	58,100	1,314	4,798	147,287
22	Dues, boards & associations	318,544	209,980	534,593	30	111,143	1,174,290
23	Bad debts	-171,961	-3,072	55,765	0	6,990	-112,278
24	Loss adjustment expenses incurred	7,774,810	7,909	940,715			8,723,434
25	Losses incurred	6,389,564	6,624	156,237			6,552,425
26	Reinsurance charges (ceded)		434,508	0		497,755	932,263
27	Other	6,323,749	4,408,039	6,724,062	543,472	203,198	18,202,520
28	Tax certificates		940,063	3,113,885		0	4,053,948
29	Recording fees		2,969,339	7,326,832		0	10,296,171
30	Plant lease/update costs		2,687,422	5,112,407		264,679	8,064,508
31	Allowances to managers & agents	0	0	0	0	0	0
32	Net addition to unearned premium reserve	8,825,522					8,825,522
33	Abstract costs					0	0
34	Real estate expenses				100,269		100,269
35	Real estate taxes				77,994		77,994
36	Damages paid for bad faith suits	0	0	0	6,157	0	6,157
37	Fines or penalties for violation of law	0	0	256	0	32	288
38	Donations/lobbying	43,070	158,432	613,987	0	57,460	872,949
39	Trade association fees	256,316	56,486	92,284	6,993	16,910	428,989
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	86,788,820	112,264,955	201,796,328	1,128,243	24,877,920	426,856,266
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	39,343,898	14,604,930	6,011,614	26,078,662	-700,950	85,338,154

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$3,106,590  
 Surplus \$28,005,845  
 Investment in Abstract  
 Plant (Book Value) \$1,104,046  
 Dividend Rate 15.00%

Name of Company: Alamo Title Insurance

Types of Income		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue			38,455,689	41,611,579			80,067,268
2	Premiums allocated to agency function-other than home office issue		0	31,555,749	34,225,077			65,780,826
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	14,286,442						14,286,442
4	Gross premiums - home office issue	1,017,877	0		161,863			1,179,740
5	Premiums allocated to agency function - home office issue		0	826,873	132,977			959,850
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	219,890						219,890
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	1,017,877	0	38,455,689	41,773,442			81,247,008
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		34,358,054			34,358,054
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	14,506,332						14,506,332
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					751,283		751,283
11	Investment income-dividends-before expenses					151,889		151,889
12	Investment income-other-before expenses					772,648		772,648
13	Net realized capital gains (losses)					659,708		659,708
14	Net unrealized capital gains (losses)					1,495,157		1,495,157
15	<b>Total</b> (Sum of lines 10 through 14)					3,830,685		3,830,685
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						46,124	46,124
17	Service charges (from Form 4)	0			7,425,525			7,425,525
18	Escrow & abstract fees							0
19	Miscellaneous (from Form 4)	0			203,660		5,636,622	5,840,282
20	<b>Total</b> (Sum of lines 16 through 19)	0	0		7,629,185	0	5,682,746	13,311,931
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	14,506,332	0		41,987,239	3,830,685	5,682,746	66,007,002
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	58,167	7,316	44,085	All other forms For Which A Premium Was Charged		67,488	177,056

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Alamo Title Insurance

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	20,960,142		2,635,115	23,595,257
1b	Salaries - owners & partners						0
1c	Salaries - Total	2,315,844			79,400		2,395,244
2	Employee benefits, relations & welfare	351,298		3,438,700	8,399	434,155	4,232,552
3a	Fees paid for title examination & furnishing title evidence - Title Agents			1,410,850			1,410,850
3b	Fees paid for title examination & furnishing title evidence - Others			86,772			86,772
4a	Closing costs paid non-employees - Title Agents			627,748			627,748
4b	Closing costs paid non-employees - Others			5,790,782			5,790,782
5	Rent	278,253		3,306,989	15,640	393,430	3,994,312
6	Utilities	4,098		168,832		21,571	194,501
7	Accounting & auditing	42,234		124,953		27,914	195,101
◆ 8	Advertising and promotions	163,506		1,106,390		130,551	1,400,447
◆ 9	Employee travel, lodging and education	441,832		646,135	324	78,209	1,166,500
10	Insurance	63,246		178,959	4,955	23,378	270,538
11	Interest expense	510		268,752		30,992	300,254
12	Legal expense	202,096		301,721	99,401	26,634	629,852
13	Licenses, taxes & fees	1,185,493		61,684		7,930	1,255,107
14	Postage & freight	62,632		390,553	3,874	49,640	506,699
15	Courier & overnight delivery			1,564,206			1,564,206
16	Telephone & facsimile	164,404		921,458	9,514	115,903	1,211,279
17	Printing & photocopying	218,348		227,597	2,059	29,839	477,843
18	Office supplies	100,706		1,158,478	6,447	126,947	1,392,578
19	Equipment & vehicle leases	164,724		1,051,572		136,511	1,352,807
20	Depreciation	127,437		1,421,169	29,150	21,110	1,598,866

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Alamo Title Insurance

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees	10,720			1,314		12,034
22	Dues, boards & associations	572		161,524	30	20,105	182,231
23	Bad debts			18,745			18,745
24	Loss adjustment expenses incurred	567,988		933,490			1,501,478
25	Losses incurred	642,480					642,480
26	Reinsurance charges (ceded)					63,140	63,140
27	Other			1,104,443		110,975	1,215,418
28	Tax certificates			367,976			367,976
29	Recording fees			1,898,376			1,898,376
30	Plant lease/update costs			1,675,414		199,074	1,874,488
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	326,175					326,175
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes				18,284		18,284
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying			58,786		6,917	65,703
39	Trade association fees	74,607		37,054	6,993	4,999	123,653
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	7,509,203	0	51,470,250	285,784	4,695,039	63,960,276
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	6,997,129	0	-9,483,011	3,544,901	987,707	2,046,726

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$2,000,000  
Surplus \$129,622,170  
Investment in Abstract  
Plant (Book Value) \$40,626,622  
Dividend Rate 0.00%

Name of Company: Chicago Title Insurance Company

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
Types of Income		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		48,435,542	57,481,550	3,763,580			109,680,672
2	Premiums allocated to agency function-other than home office issue		39,838,233	46,398,044	3,095,545			89,331,822
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	20,348,850						20,348,850
4	Gross premiums - home office issue		0					0
5	Premiums allocated to agency function - home office issue							0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	48,435,542	57,481,550	3,763,580			109,680,672
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		39,838,233		3,095,545			42,933,778
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	20,348,850						20,348,850
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					434,208		434,208
11	Investment income-dividends-before expenses					68,017		68,017
12	Investment income-other-before expenses					2,749,152		2,749,152
13	Net realized capital gains (losses)					307,773		307,773
14	Net unrealized capital gains (losses)					-330,820		-330,820
15	<b>Total</b> (Sum of lines 10 through 14)					3,228,330		3,228,330
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						78,954	78,954
17	Service charges (from Form 4)	0	3,212,637		66,176		2,939,140	6,217,953
18	Escrow & abstract fees						0	0
19	Miscellaneous (from Form 4)	0						0
20	<b>Total</b> (Sum of lines 16 through 19)	0	3,212,637		66,176	0	3,018,094	6,296,907
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	20,348,850	43,050,870		3,161,721	3,228,330	3,018,094	72,807,865
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	32,811	10,524	19,146	All other forms For Which A Premium Was Charged		71,895	Total 134,376

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Chicago Title Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		15,572,214	1,248,618		1,124,240	17,945,072
1b	Salaries - owners & partners						0
1c	Salaries - Total	3,414,406					3,414,406
2	Employee benefits, relations & welfare	3,226,701	2,872,735	303,499		217,239	6,620,174
3a	Fees paid for title examination & furnishing title evidence - Title Agents		3,255,642	139,182			3,394,824
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents		2,331,982				2,331,982
4b	Closing costs paid non-employees - Others		3,638,516	142,442			3,780,958
5	Rent	787,729	1,650,503	172,501		140,578	2,751,311
6	Utilities		45,515	3,278		2,811	51,604
7	Accounting & auditing		22,956	3,500		804	27,260
◆ 8	Advertising and promotions	458,565	388,032	82,324		66,328	995,249
◆ 9	Employee travel, lodging and education	1,003,867	128,298	21,093		9,915	1,163,173
10	Insurance	80,391					80,391
11	Interest expense	176,452				1,475	177,927
12	Legal expense	268,305	36,865	174		2,020	307,364
13	Licenses, taxes & fees	606,567	993,449	35,037		25,972	1,661,025
14	Postage & freight	542,606	104,553	15,602		8,839	671,600
15	Courier & overnight delivery		125,766	14,579			140,345
16	Telephone & facsimile		593,602	69,016		46,603	709,221
17	Printing & photocopying	1,222,151	144,363	9,575		12,082	1,388,171
18	Office supplies		565,670	32,732		37,907	636,309
19	Equipment & vehicle leases		506,728	48,767		38,071	593,566
20	Depreciation	603,104	415,026	42,999		30,547	1,091,676



**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Chicago Title Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations		12,837	1,165		255	14,257
23	Bad debts						0
24	Loss adjustment expenses incurred	3,130,135					3,130,135
25	Losses incurred	283,177	6,624				289,801
26	Reinsurance charges (ceded)		434,508				434,508
27	Other	309,685	1,274,449	55,631	116,130	67,746	1,823,641
28	Tax certificates		3,002	1,202			4,204
29	Recording fees		23,852	1,950			25,802
30	Plant lease/update costs		935,713	59,136			994,849
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	700,064					700,064
33	Abstract costs						0
34	Real estate expenses				53,275		53,275
35	Real estate taxes				34,782		34,782
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying		64,163	17,197		4,124	85,484
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	16,813,905	36,147,563	2,521,199	204,187	1,837,556	57,524,410
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	3,534,945	6,903,307	640,522	3,024,143	1,180,538	15,283,455

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$1,649,306  
Surplus \$135,346,807  
Investment in Abstract  
Plant (Book Value) \$20,508,790  
Dividend Rate 0.00%

Name of Company: **Commonwealth Land Title Insurance Company** \_\_\_\_\_

Types of Income		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		49,278,985	34,339,299				83,618,284
2	Premiums allocated to agency function-other than home office issue		40,531,964	28,102,110				68,634,074
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	14,984,210						14,984,210
4	Gross premiums - home office issue		0					0
5	Premiums allocated to agency function - home office issue							0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	49,278,985	34,339,299	0			83,618,284
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		40,531,964		0			40,531,964
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	14,984,210						14,984,210
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses							0
11	Investment income-dividends-before expenses					938,031		938,031
12	Investment income-other-before expenses					4,700,462		4,700,462
13	Net realized capital gains (losses)					254,679		254,679
14	Net unrealized capital gains (losses)					146,313		146,313
15	<b>Total</b> (Sum of lines 10 through 14)					6,039,485		6,039,485
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						84,176	84,176
17	Service charges (from Form 4)	0	5,541,226					5,541,226
18	Escrow & abstract fees						2,433,191	2,433,191
19	Miscellaneous (from Form 4)	-202,006						-202,006
20	<b>Total</b> (Sum of lines 16 through 19)	-202,006	5,541,226		0	0	2,517,367	7,856,587
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	14,782,204	46,073,190		0	6,039,485	2,517,367	69,412,246
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	34,812	7,599	31,267	All other forms For Which A Premium Was Charged		93,517	167,195
		Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5				Total

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: **Commonwealth Land Title Insurance Company**\_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		14,327,286	0		810,197	15,137,483
1b	Salaries - owners & partners						0
1c	Salaries - Total	2,730,864					2,730,864
2	Employee benefits, relations & welfare	568,268	3,242,374			189,322	3,999,964
3a	Fees paid for title examination & furnishing title evidence - Title Agents		3,308,834				3,308,834
3b	Fees paid for title examination & furnishing title evidence - Others		750				750
4a	Closing costs paid non-employees - Title Agents		437,031				437,031
4b	Closing costs paid non-employees - Others		7,699,277				7,699,277
5	Rent	201,204	2,566,258			150,545	2,918,007
6	Utilities		4,569			253	4,822
7	Accounting & auditing	150,506	135,047			6,238	291,791
◆ 8	Advertising and promotions	247,407	354,940			22,136	624,483
◆ 9	Employee travel, lodging and education		391,408			24,662	416,070
10	Insurance	27,438	57,992			3,074	88,504
11	Interest expense		269			48	317
12	Legal expense	150,506					150,506
13	Licenses, taxes & fees	2,338,017	1,009,091			57,058	3,404,166
14	Postage & freight	95,400	341,081			19,792	456,273
15	Courier & overnight delivery	1,437	-18,881				-17,444
16	Telephone & facsimile	203,905	649,179			38,565	891,649
17	Printing & photocopying						0
18	Office supplies	178,467	693,534			41,745	913,746
19	Equipment & vehicle leases	215,440	1,570,088			88,922	1,874,450
20	Depreciation	1,300,121	706,546			40,537	2,047,204

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Commonwealth Land Title Insurance Company\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations	151,941	154,561			9,207	315,709
23	Bad debts	957	-31,970			-1,613	-32,626
24	Loss adjustment expenses incurred	1,411,871	0				1,411,871
25	Losses incurred	590,783	0				590,783
26	Reinsurance charges (ceded)					58,653	58,653
27	Other	1,273,032	2,532,032		252,706	179,978	4,237,748
28	Tax certificates		21,927				21,927
29	Recording fees		1,280,221				1,280,221
30	Plant lease/update costs		802,293				802,293
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	2,237,276					2,237,276
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying	3,829	34,663			1,696	40,188
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	14,078,669	42,270,400	0	252,706	1,741,015	58,342,790
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	703,535	3,802,790	0	5,786,779	776,352	11,069,456

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$4,478,350  
 Surplus \$46,966,371  
 Investment in Abstract  
 Plant (Book Value) \$25,593,808  
 Dividend Rate %

Name of Company: **Fidelity National Title Insurance Company** \_\_\_\_\_

Types of Income		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		9,197,862	36,611,977	1,234,248			47,044,087
2	Premiums allocated to agency function-other than home office issue		7,801,968	29,747,231	1,002,827			38,552,026
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	8,492,061						8,492,061
4	Gross premiums - home office issue		0					0
5	Premiums allocated to agency function - home office issue							0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	9,197,862	36,611,977	1,234,248			47,044,087
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		7,801,968		1,002,827			8,804,795
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	8,492,061						8,492,061
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					112,038		112,038
11	Investment income-dividends-before expenses					11,237		11,237
12	Investment income-other-before expenses					338,868		338,868
13	Net realized capital gains (losses)					706,593		706,593
14	Net unrealized capital gains (losses)					-24,259		-24,259
15	<b>Total</b> (Sum of lines 10 through 14)					1,144,477		1,144,477
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)							0
17	Service charges (from Form 4)	0	1,105,624		4,028			1,109,652
18	Escrow & abstract fees						995,882	995,882
19	Miscellaneous (from Form 4)	0	480,288		10,933			491,221
20	<b>Total</b> (Sum of lines 16 through 19)	0	1,585,912		14,961	0	995,882	2,596,755
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	8,492,061	9,387,880		1,017,788	1,144,477	995,882	21,038,088
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>							
		Owner Policies (R3 and R5)	Mortgagee policies at basic rates-R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged			Total
		37,088	5,930	23,446	2,656			69,120

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Fidelity National Title Insurance Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		3,220,404	632,347		1,395,440	5,248,191
1b	Salaries - owners & partners						0
1c	Salaries - Total	529,760					529,760
2	Employee benefits, relations & welfare	34,220	409,609	41,807		171,363	656,999
3a	Fees paid for title examination & furnishing title evidence - Title Agents		157,290				157,290
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents		74,654				74,654
4b	Closing costs paid non-employees - Others		743,322	148,109			891,431
5	Rent	33,213	397,257	118,798		306,014	855,282
6	Utilities		9,264	10,467		11,999	31,730
7	Accounting & auditing		2,772	-281		5,248	7,739
◆ 8	Advertising and promotions	70,140	113,962	20,192		41,151	245,445
◆ 9	Employee travel, lodging and education	151,426	94,159	45,397		26,521	317,503
10	Insurance	90,352	94,416	14,829		37,888	237,485
11	Interest expense						0
12	Legal expense	48,363	11,985			807	61,155
13	Licenses, taxes & fees	245,145	11,681	5,267		7,719	269,812
14	Postage & freight	84,239	174,460	3,665		47,553	309,917
15	Courier & overnight delivery	12,365	136,245	25,842		4,003	178,455
16	Telephone & facsimile	31,984	118,425	31,441		43,222	225,072
17	Printing & photocopying	16,038	37,931	16,688		4,976	75,633
18	Office supplies	7,139	200,450	18,504		16,116	242,209
19	Equipment & vehicle leases	24,722	106,278	22,951		27,463	181,414
20	Depreciation	1,501	98,978	1,317		69,566	171,362

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Fidelity National Title Insurance Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations	6,480	8,318	6,357		5,441	26,596
23	Bad debts	19,025	28,898	1,939		300	50,162
24	Loss adjustment expenses incurred	406,155	8,145				414,300
25	Losses incurred	1,268,019					1,268,019
26	Reinsurance charges (ceded)						0
27	Other	118,708	199,521	54,865	73,578	39,195	485,867
28	Tax certificates		82,682				82,682
29	Recording fees		422,044				422,044
30	Plant lease/update costs		196,281	44,361		40,194	280,836
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	1,599,427					1,599,427
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying	14,531	5,243	546		2,046	22,366
39	Trade association fees	0	8,381			2,096	10,477
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	4,812,952	7,173,055	1,265,408	73,578	2,306,321	15,631,314
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	3,679,109	2,214,825	-247,620	1,070,899	-1,310,439	5,406,774

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock 60,000,000  
Surplus 210,297,293  
Investment in Abstract  
Plant (Book Value) 22,911,960  
Dividend Rate N/A

Name of Company: First American Title Insurance Company

Types of Income		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		0	3,113,464	17,572,515			20,685,979
2	Premiums allocated to agency function-other than home office issue		0	2,560,824	14,453,393			17,014,217
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	3,671,762						3,671,762
4	Gross premiums - home office issue	2,115,258	0		2,254,592			4,369,850
5	Premiums allocated to agency function - home office issue			1,739,800	1,854,402			3,594,202
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	775,648						775,648
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	2,115,258	0	3,113,464	19,827,107			25,055,829
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		16,307,795			16,307,795
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	4,447,410						4,447,410
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses							0
11	Investment income-dividends-before expenses							0
12	Investment income-other-before expenses							0
13	Net realized capital gains (losses)							0
14	Net unrealized capital gains (losses)							0
15	<b>Total</b> (Sum of lines 10 through 14)					0		0
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						290,731	290,731
17	Service charges (from Form 4)	0			7,003,197			7,003,197
18	Escrow & abstract fees						1,777,027	1,777,027
19	Miscellaneous (from Form 4)	0			8,110		12,000	20,110
20	<b>Total</b> (Sum of lines 16 through 19)	0	0		7,011,307	0	2,079,758	9,091,065
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	4,447,410	0		23,319,102	0	2,079,758	29,846,270
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged			Total
		4,200	806	3,374				4,812
								13,192



**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: First American Title Insurance Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	13,633,311		932,192	14,565,503
1b	Salaries - owners & partners						0
1c	Salaries - Total						0
2	Employee benefits, relations & welfare			1,698,579		116,142	1,814,721
3a	Fees paid for title examination & furnishing title evidence - Title Agents			2,001,375			2,001,375
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others			419,718			419,718
5	Rent			999,664		68,353	1,068,017
6	Utilities			38,587		2,638	41,225
7	Accounting & auditing			13,296		909	14,205
◆ 8	Advertising and promotions	415,280		389,400			804,680
◆ 9	Employee travel, lodging and education			81,353			81,353
10	Insurance			76,154		5,207	81,361
11	Interest expense			5,638		385	6,023
12	Legal expense	-5,539		39,087			33,548
13	Licenses, taxes & fees	534,930		18,088		1,237	554,255
14	Postage & freight			50,670		3,465	54,135
15	Courier & overnight delivery	-55		448,330			448,275
16	Telephone & facsimile			309,784		21,182	330,966
17	Printing & photocopying			247,864		16,948	264,812
18	Office supplies	1		147,389		10,078	157,468
19	Equipment & vehicle leases			153,225		10,477	163,702
20	Depreciation			285,981		19,554	305,535

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: First American Title Insurance Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations			12,908		2,360	15,268
23	Bad debts						0
24	Loss adjustment expenses incurred	212,065		2,654			214,719
25	Losses incurred	5,288					5,288
26	Reinsurance charges (ceded)						0
27	Other	386,391		152,193		29,449	568,033
28	Tax certificates			3,552			3,552
29	Recording fees			489,392			489,392
30	Plant lease/update costs			463,043			463,043
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve						0
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying			138,932			138,932
39	Trade association fees	16,641		21,611			38,252
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	1,565,002	0	22,341,778	0	1,240,576	25,147,356
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	2,882,408	0	977,324	0	839,182	4,698,914

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock	6,000,000
Surplus	19,713,130
Investment in Abstract	
Plant (Book Value)	4,293,720
Dividend Rate	N/A

Name of Company: **First American Title Insurance Co of Texas**

Types of Income		(A)	Title Insurance			(E)	(F)	(G)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents	Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		26,614,350	30,745,076	1,675,566			59,034,992
2	Premiums allocated to agency function-other than home office issue		21,890,303	25,222,359	1,378,153			48,490,815
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	10,544,177						10,544,177
4	Gross premiums - home office issue	207,767	0					207,767
5	Premiums allocated to agency function - home office issue			170,888				170,888
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	36,879						36,879
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	207,767	26,614,350	30,745,076	1,675,566			59,242,759
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		21,890,303		1,378,153			23,268,456
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	10,581,056						10,581,056
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					203,000		203,000
11	Investment income-dividends-before expenses					90,000		90,000
12	Investment income-other-before expenses					910,000		910,000
13	Net realized capital gains (losses)					347,000		347,000
14	Net unrealized capital gains (losses)					456,000		456,000
15	<b>Total</b> (Sum of lines 10 through 14)					2,006,000		2,006,000
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						4,636	4,636
17	Service charges (from Form 4)	0	3,773,040		820,162			4,593,202
18	Escrow & abstract fees						3,741,152	3,741,152
19	Miscellaneous (from Form 4)	0	1,109,060		55,594			1,164,654
20	<b>Total</b> (Sum of lines 16 through 19)	0	4,882,100		875,756	0	3,745,788	9,503,644
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	10,581,056	26,772,403		2,253,909	2,006,000	3,745,788	45,359,156
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	43,931	7,243	33,410	All other forms For Which A Premium Was Charged		36,527	Total 121,111

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: First American Title Insurance Company of Texas

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		11,908,494	896,600		1,724,612	14,529,706
1b	Salaries - owners & partners						0
1c	Salaries - Total	2,108,532					2,108,532
2	Employee benefits, relations & welfare	468,051	2,550,150	194,985		370,692	3,583,878
3a	Fees paid for title examination & furnishing title evidence - Title Agents		300	211,700			212,000
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents		436,779	51,051			487,830
4b	Closing costs paid non-employees - Others		392,767	340,852			733,619
5	Rent	178,556	1,883,215	145,768		270,110	2,477,649
6	Utilities	1,500	101,048	17,773		16,776	137,097
7	Accounting & auditing	21,475	6,442			46,810	74,727
◆ 8	Advertising and promotions	54,415	506,316	18,164		67,369	646,264
◆ 9	Employee travel, lodging and education	279,065	289,045	35,792		43,249	647,151
10	Insurance	10,323	85,482	6,379		12,449	114,633
11	Interest expense	29,628					29,628
12	Legal expense	-15,394	26,959	180		4,397	16,142
13	Licenses, taxes & fees	869,034	9,058	994		559	879,645
14	Postage & freight	11,408	156,860	12,425		22,474	203,167
15	Courier & overnight delivery	16,955	1,102,074	78,388			1,197,417
16	Telephone & facsimile	43,790	464,584	36,231		68,653	613,258
17	Printing & photocopying	42,579	460,555	34,230		66,493	603,857
18	Office supplies	135,368	461,551	39,348		67,486	703,753
19	Equipment & vehicle leases	99,104	572,155	33,975		80,462	785,696
20	Depreciation	34,275	633,805	21,859		87,976	777,915

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: First American Title Insurance Company of Texas

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations	3,745	27,075	1,528		4,056	36,404
23	Bad debts	23					23
24	Loss adjustment expenses incurred	167,717					167,717
25	Losses incurred	499,233					499,233
26	Reinsurance charges (ceded)					290,431	290,431
27	Other	-98,017	396,719	79,876		401,951	780,529
28	Tax certificates		813,589	67,044			880,633
29	Recording fees		1,202,083	85,320			1,287,403
30	Plant lease/update costs		705,096	168,250		12,008	885,354
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	2,041,173					2,041,173
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying	5,799	54,363	850		6,712	67,724
39	Trade association fees	51,233	48,105	3,286		6,872	109,496
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	7,059,570	25,294,669	2,582,848	0	3,672,597	38,609,684
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	3,521,486	1,477,734	-328,939	2,006,000	73,191	6,749,472

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock 5,311,685  
Surplus 119,595,691  
Investment in Abstract  
Plant (Book Value) 2,785,895  
Dividend Rate           %

Name of Company: Lawyers Title Insurance Company

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
Types of Income		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		1,813,913	36,691,889	51,712,208			90,218,010
2	Premiums allocated to agency function-other than home office issue		1,489,495	30,085,070	42,384,321			73,958,886
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	16,259,124						16,259,124
4	Gross premiums - home office issue	0	0		0			0
5	Premiums allocated to agency function - home office issue				0			0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	1,813,913	36,691,889	51,712,208			90,218,010
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		1,489,495		42,384,321			43,873,816
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	16,259,124						16,259,124
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					416,873		416,873
11	Investment income-dividends-before expenses					137,998		137,998
12	Investment income-other-before expenses					1,061,736		1,061,736
13	Net realized capital gains (losses)					16,340		16,340
14	Net unrealized capital gains (losses)					1,100,363		1,100,363
15	<b>Total</b> (Sum of lines 10 through 14)					2,733,310		2,733,310
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						5,635	5,635
17	Service charges (from Form 4)	852,836	49,953		8,240,231	0	2,655	9,145,675
18	Escrow & abstract fees						0	0
19	Miscellaneous (from Form 4)	115,804	46,094		19,620,183	0	50,519	19,832,600
20	<b>Total</b> (Sum of lines 16 through 19)	968,640	96,047		27,860,414	0	58,809	28,983,910
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	17,227,764	1,585,542		70,244,735	2,733,310	58,809	91,850,160
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged		Total	
		45,837	10,753	35,860	10,677		103,127	

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Lawyers Title Insurance Corporation

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		303,698	25,098,388		2,649,054	28,051,140
1b	Salaries - owners & partners		0	0		0	0
1c	Salaries - Total	2,001,062			0		2,001,062
2	Employee benefits, relations & welfare	362,135	63,649	1,886,482	0	225,296	2,537,562
3a	Fees paid for title examination & furnishing title evidence - Title Agents	2,157,536	604,180	796,342			3,558,058
3b	Fees paid for title examination & furnishing title evidence - Others	251,881	70,216	10,255			78,535
4a	Closing costs paid non-employees - Title Agents	0	0	833,520			833,520
4b	Closing costs paid non-employees - Others	0	0	16,297,827			16,297,827
5	Rent	412,356	76,160	2,450,566	0	270,792	3,209,874
6	Utilities	0	0	262,417	0	24,768	287,185
7	Accounting & auditing	27,098	4,401	1,108,325	0	105,342	1,245,166
◆ 8	Advertising and promotions	227,581	15,344	1,299,442	0	135,266	1,677,633
◆ 9	Employee travel, lodging and education	205,753	26,664	243,830	0	25,947	502,194
10	Insurance	24,078	5,932	113,254	0	12,614	155,878
11	Interest expense	0	0	70,382	0	8,394	78,776
12	Legal expense	143	0	79,467	0	5,601	85,211
13	Licenses, taxes & fees	1,449,437	27,404	1,013,490	0	110,703	2,601,034
14	Postage & freight	28,322	5,575	195,487	0	21,089	250,473
15	Courier & overnight delivery	65,579	7,599	1,414,942	0	0	1,488,120
16	Telephone & facsimile	71,336	13,410	704,377	0	75,108	864,231
17	Printing & photocopying	180,668	4,248	297,383	0	29,754	512,053
18	Office supplies	30,099	10,317	940,535	0	99,613	1,080,564
19	Equipment & vehicle leases	63,954	4,467	1,037,638	0	101,118	1,207,177
20	Depreciation	45,700	15,692	906,980	0	88,846	1,057,218

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Lawyers Title Insurance Corporation

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees	0	0	0	0	0	0
22	Dues, boards & associations	32,099	7,189	203,697	0	20,646	263,631
23	Bad debts	0	0	30,239	0	7,852	38,091
24	Loss adjustment expenses incurred	756,606	-236	4,571			760,941
25	Losses incurred	815,882	0	0			815,882
26	Reinsurance charges (ceded)		0	0		0	0
27	Other	291,881	5,318	2,018,486	0	221,487	2,537,172
28	Tax certificates		18,863	1,527,634		0	1,546,497
29	Recording fees		41,139	2,062,678		0	2,103,817
30	Plant lease/update costs		48,039	944,876		303	993,218
31	Allowances to managers & agents	0	0	0	0	0	0
32	Net addition to unearned premium reserve	598,021					598,021
33	Abstract costs					0	0
34	Real estate expenses				0		0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0	0	0	0	0	0
37	Fines or penalties for violation of law	0	0	0	0	0	0
38	Donations/lobbying	7,025	0	92,606	0	8,572	108,203
39	Trade association fees	0	0	6,908	0	746	7,654
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	10,106,232	1,379,268	63,953,024	0	4,248,911	79,687,435
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	7,121,532	206,274	6,291,711	2,733,310	-4,190,102	12,162,725



**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$1,526,434  
Surplus \$85,350,586  
Investment in Abstract  
Plant (Book Value) \$9,157,971  
Dividend Rate %

Name of Company: Old Republic National Title Insurance Company \_\_\_\_\_

Types of Income		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		0	25,467,011				25,467,011
2	Premiums allocated to agency function-other than home office issue		0	20,895,100				20,895,100
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	4,571,911						4,571,911
4	Gross premiums - home office issue		832					832
5	Premiums allocated to agency function - home office issue							0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	832						832
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	832	25,467,011	0			25,467,843
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		0			0
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	4,572,743						4,572,743
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					208,236		208,236
11	Investment income-dividends-before expenses					959		959
12	Investment income-other-before expenses					795,082		795,082
13	Net realized capital gains (losses)					31,954		31,954
14	Net unrealized capital gains (losses)					68,854		68,854
15	<b>Total</b> (Sum of lines 10 through 14)					1,105,085		1,105,085
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						47,824	47,824
17	Service charges (from Form 4)	59,654					399	60,053
18	Escrow & abstract fees							0
19	Miscellaneous (from Form 4)	4,345						4,345
20	<b>Total</b> (Sum of lines 16 through 19)	63,999	0		0	0	48,223	112,222
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	4,636,742	0		0	1,105,085	48,223	5,790,050
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	18,398	2,301	13,225	All other forms For Which A Premium Was Charged		9,016	42,940

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Old Republic National Title Insurance Company\_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	0		0	0
1b	Salaries - owners & partners						0
1c	Salaries - Total	631,542					631,542
2	Employee benefits, relations & welfare	153,643					153,643
3a	Fees paid for title examination & furnishing title evidence - Title Agents						0
3b	Fees paid for title examination & furnishing title evidence - Others	19,220					19,220
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others						0
5	Rent	121,252					121,252
6	Utilities	788					788
7	Accounting & auditing	660					660
◆ 8	Advertising and promotions	63,768					63,768
◆ 9	Employee travel, lodging and education	232,530					232,530
10	Insurance	38,520					38,520
11	Interest expense	64,522					64,522
12	Legal expense	41,092					41,092
13	Licenses, taxes & fees	287,330					287,330
14	Postage & freight	13,173					13,173
15	Courier & overnight delivery	11,348					11,348
16	Telephone & facsimile	58,921					58,921
17	Printing & photocopying	14,646					14,646
18	Office supplies	85,142					85,142
19	Equipment & vehicle leases	15,476					15,476
20	Depreciation	29,132					29,132

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Old Republic National Title Insurance Company\_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations	17,028					17,028
23	Bad debts	-29,968					-29,968
24	Loss adjustment expenses incurred	145,046					145,046
25	Losses incurred	1,020,319					1,020,319
26	Reinsurance charges (ceded)					783	783
27	Other	1,153,075			36,827		1,189,902
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	-287,571					-287,571
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes				7,543		7,543
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying	1,526					1,526
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	3,902,160	0	0	44,370	783	3,947,313
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	734,582	0	0	1,060,715	47,440	1,842,737

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$30,250,000  
 Surplus \$47,550,312  
 Investment in Abstract  
 Plant (Book Value) \$ \_\_\_\_\_  
 Dividend Rate \_\_\_\_\_ %

Name of Company: Security Union Title Insurance Company

Types of Income		(A)	Title Insurance			(E)	(F)	(G)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents	Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		0	11,513,414				11,513,414
2	Premiums allocated to agency function-other than home office issue		0	9,440,022				9,440,022
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	2,073,392						2,073,392
4	Gross premiums - home office issue		0					0
5	Premiums allocated to agency function - home office issue							0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	0	11,513,414	0			11,513,414
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		0			0
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	2,073,392						2,073,392
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					170,537		170,537
11	Investment income-dividends-before expenses					46,344		46,344
12	Investment income-other-before expenses					1,144,133		1,144,133
13	Net realized capital gains (losses)					174,370		174,370
14	Net unrealized capital gains (losses)					241,787		241,787
15	<b>Total</b> (Sum of lines 10 through 14)					1,777,171		1,777,171
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						14,094	14,094
17	Service charges (from Form 4)	0					25,501	25,501
18	Escrow & abstract fees							0
19	Miscellaneous (from Form 4)	0						0
20	<b>Total</b> (Sum of lines 16 through 19)	0	0		0	0	39,595	39,595
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	2,073,392	0		0	1,777,171	39,595	3,890,158
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged			Total
		1,931	1,636	10,021				18,015
								31,603

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Security Union Title Insurance Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	0		0	0
1b	Salaries - owners & partners						0
1c	Salaries - Total	10,715					10,715
2	Employee benefits, relations & welfare	2,100					2,100
3a	Fees paid for title examination & furnishing title evidence - Title Agents						0
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others						0
5	Rent	1,048					1,048
6	Utilities						0
7	Accounting & auditing						0
◆ 8	Advertising and promotions	124					124
◆ 9	Employee travel, lodging and education	914					914
10	Insurance	671					671
11	Interest expense					-243	-243
12	Legal expense	455					455
13	Licenses, taxes & fees	155,025					155,025
14	Postage & freight	171					171
15	Courier & overnight delivery						0
16	Telephone & facsimile						0
17	Printing & photocopying	150					150
18	Office supplies						0
19	Equipment & vehicle leases	543					543
20	Depreciation				32,838		32,838

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Security Union Title Insurance Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations						0
23	Bad debts	26					26
24	Loss adjustment expenses incurred	44,972					44,972
25	Losses incurred	202,795					202,795
26	Reinsurance charges (ceded)					18,436	18,436
27	Other	44,548					44,548
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	-322,419					-322,419
33	Abstract costs						0
34	Real estate expenses				45,176		45,176
35	Real estate taxes				12,955		12,955
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying						0
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	141,838	0	0	90,969	18,193	251,000
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	1,931,554	0	0	1,686,202	21,402	3,639,158

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$8,500,000  
Surplus \$145,181,520  
Investment in Abstract  
Plant (Book Value) \$2,535,794  
Dividend Rate 6.00%

Name of Company: Stewart Title Guaranty Company

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
Types of Income		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents			
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		0	45,297,608	57,674,505			102,972,113
2	Premiums allocated to agency function-other than home office issue		0	36,479,010	48,183,441			84,662,451
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	18,309,662						18,309,662
4	Gross premiums - home office issue	894,227	0		4,061,070			4,955,297
5	Premiums allocated to agency function - home office issue			1,459,907	2,601,163			4,061,070
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	894,227						894,227
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	894,227	0	45,297,608	61,735,575			107,927,410
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		50,784,604			50,784,604
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	19,203,889						19,203,889
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					820,970		820,970
11	Investment income-dividends-before expenses					642,319		642,319
12	Investment income-other-before expenses					1,373,908		1,373,908
13	Net realized capital gains (losses)					542,562		542,562
14	Net unrealized capital gains (losses)					-236,145		-236,145
15	<b>Total</b> (Sum of lines 10 through 14)					3,143,614		3,143,614
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						67,212	67,212
17	Service charges (from Form 4)	549,663			12,752,093			13,301,756
18	Escrow & abstract fees						5,633,810	5,633,810
19	Miscellaneous (from Form 4)	700,157			1,991,245		101,599	2,793,001
20	<b>Total</b> (Sum of lines 16 through 19)	1,249,820	0		14,743,338	0	5,802,621	21,795,779
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	20,453,709	0		65,527,942	3,143,614	5,802,621	94,927,886
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	67,832	8,921	49,891			70,169	196,813

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Stewart Title Guaranty Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees			22,236,194		2,398,530	24,634,724
1b	Salaries - owners & partners			200,064		27,976	228,040
1c	Salaries - Total	4,544,140			17,902		4,562,042
2	Employee benefits, relations & welfare	807,214		5,980,201	1,426	588,687	7,377,528
3a	Fees paid for title examination & furnishing title evidence - Title Agents			911,353			911,353
3b	Fees paid for title examination & furnishing title evidence - Others			360,111			360,111
4a	Closing costs paid non-employees - Title Agents			3,097,285			3,097,285
4b	Closing costs paid non-employees - Others			2,175,680			2,175,680
5	Rent	312,236		3,728,367		398,351	4,438,954
6	Utilities			434,759		41,528	476,287
7	Accounting & auditing	230,447		141,806		15,573	387,826
◆ 8	Advertising and promotions	714,308		1,269,673		215,797	2,199,778
◆ 9	Employee travel, lodging and education	471,607		504,969		258,510	1,235,086
10	Insurance	82,556		270,157		150,951	503,664
11	Interest expense			65,134		328,984	394,118
12	Legal expense	64,458		64,473		43,994	172,925
13	Licenses, taxes & fees	1,592,258		170,792		93,620	1,856,670
14	Postage & freight	19,728		268,559		147,061	435,348
15	Courier & overnight delivery	102,230		2,112,631		65	2,214,926
16	Telephone & facsimile	186,889		1,038,665		264,167	1,489,721
17	Printing & photocopying	279,164		558,663		95,552	933,379
18	Office supplies	173,132		718,602		146,040	1,037,774
19	Equipment & vehicle leases	15,972		705,084		81,382	802,438
20	Depreciation	327,189		1,001,767		504,388	1,833,344



**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Stewart Title Guaranty Company

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees	1,941		58,100		4,798	64,839
22	Dues, boards & associations	73,033		147,414		49,073	269,520
23	Bad debts	-87,556		4,842		451	-82,263
24	Loss adjustment expenses incurred	534,520					534,520
25	Losses incurred	257,044		156,237			413,281
26	Reinsurance charges (ceded)						0
27	Other	2,740,933		3,258,568	44,683	-847,583	5,196,601
28	Tax certificates			1,146,477			1,146,477
29	Recording fees			2,789,116			2,789,116
30	Plant lease/update costs			1,757,327		13,100	1,770,427
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	1,467,127					1,467,127
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes				3,806		3,806
36	Damages paid for bad faith suits	0			6,157		6,157
37	Fines or penalties for violation of law	0		256		32	288
38	Donations/lobbying	6,980		305,070		27,393	339,443
39	Trade association fees	96,710		23,425		2,197	122,332
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	15,014,260	0	57,661,821	73,974	5,050,617	77,800,672
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	5,439,449	0	7,866,121	3,069,640	752,004	17,127,214

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$30,000,000  
 Surplus \$44,823,125  
 Investment in Abstract  
 Plant (Book Value) 0  
 Dividend Rate \_\_\_\_\_ %

Name of Company: Ticor Title Insurance Company

Types of Income		(A)	(B)		(C)	(D)	(E)	(F)	(G)
		Title Insurance						Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents	Investment			
<b>PREMIUM INCOME</b>									
1	Gross premiums - other than home office issue		0	15,126,350					15,126,350
2	Premiums allocated to agency function-other than home office issue		0	12,419,773					12,419,773
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	2,706,577							2,706,577
4	Gross premiums - home office issue		0						0
5	Premiums allocated to agency function - home office issue								0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0							0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	0	15,126,350		0			15,126,350
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0			0			0
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	2,706,577							2,706,577
<b>INVESTMENT INCOME</b>									
10	Investment income-tax exempt-before expenses					103,706			103,706
11	Investment income-dividends-before expenses					24,711			24,711
12	Investment income-other-before expenses					351,900			351,900
13	Net realized capital gains (losses)					83,494			83,494
14	Net unrealized capital gains (losses)					-79,086			-79,086
15	<b>Total</b> (Sum of lines 10 through 14)					484,725			484,725
<b>OTHER INCOME</b>									
16	Reinsurance fees (acquired)							45,135	45,135
17	Service charges (from Form 4)	0							0
18	Escrow & abstract fees								0
19	Miscellaneous (from Form 4)	0							0
20	<b>Total</b> (Sum of lines 16 through 19)	0	0			0	0	45,135	45,135
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	2,706,577	0			0	484,725	45,135	3,236,437
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged			Total	
		3,183	2,581	13,652				24,377	43,793

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Tigor Title Insurance Company \_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	0		0	0
1b	Salaries - owners & partners						0
1c	Salaries - Total	119,317					119,317
2	Employee benefits, relations & welfare	14,619					14,619
3a	Fees paid for title examination & furnishing title evidence - Title Agents						0
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others						0
5	Rent						0
6	Utilities						0
7	Accounting & auditing						0
◆ 8	Advertising and promotions	475					475
◆ 9	Employee travel, lodging and education	27,219					27,219
10	Insurance				3,192		3,192
11	Interest expense						0
12	Legal expense						0
13	Licenses, taxes & fees	562,324					562,324
14	Postage & freight	5,237					5,237
15	Courier & overnight delivery						0
16	Telephone & facsimile						0
17	Printing & photocopying	11,107					11,107
18	Office supplies						0
19	Equipment & vehicle leases	25,566					25,566
20	Depreciation				807		807

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Ticor Title Insurance Company \_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations	564					564
23	Bad debts	-76,801					-76,801
24	Loss adjustment expenses incurred	37,934					37,934
25	Losses incurred	376,052					376,052
26	Reinsurance charges (ceded)					32,241	32,241
27	Other	-37,523					-37,523
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	173,594					173,594
33	Abstract costs						0
34	Real estate expenses				1,818		1,818
35	Real estate taxes				624		624
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying						0
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	1,239,684	0	0	6,441	32,241	1,278,366
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	1,466,893	0	0	478,284	12,894	1,958,071

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock 1,000,000  
Surplus 2,144,026  
Investment in Abstract  
Plant (Book Value) 0  
Dividend Rate 0%

Name of Company: TitleAmerica Insurance Corporation

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Types of Income	Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
	Underwriters	Direct Operations	Independent Agents	Affiliated Agents			

**PREMIUM INCOME**

1	Gross premiums - other than home office issue		0		359,277		359,277
2	Premiums allocated to agency function-other than home office issue		0		295,506		295,506
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	63,771					63,771
4	Gross premiums - home office issue		0		0		0
5	Premiums allocated to agency function - home office issue				0		0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0					0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	0		359,277		359,277
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		295,506		295,506
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	63,771					63,771

**INVESTMENT INCOME**

10	Investment income-tax exempt-before expenses				20,189		20,189
11	Investment income-dividends-before expenses				0		0
12	Investment income-other-before expenses				129,854		129,854
13	Net realized capital gains (losses)				0		0
14	Net unrealized capital gains (losses)				0		0
15	<b>Total</b> (Sum of lines 10 through 14)				150,043		150,043

**OTHER INCOME**

16	Reinsurance fees (acquired)						0
17	Service charges (from Form 4)	0			0		0
18	Escrow & abstract fees					0	0
19	Miscellaneous (from Form 4)	0			0		0
20	<b>Total</b> (Sum of lines 16 through 19)	0	0		0	0	0
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	63,771	0		295,506	150,043	509,320

			Mortgagee policies at basic rates-R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged		Total
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	250	3	254	743		1,250

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: TitleAmerica Insurance Corporation

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees						0
1b	Salaries - owners & partners						0
1c	Salaries - Total	15,028					15,028
2	Employee benefits, relations & welfare	1,986					1,986
3a	Fees paid for title examination & furnishing title evidence - Title Agents						0
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others						0
5	Rent	1,580					1,580
6	Utilities						0
7	Accounting & auditing	1,913					1,913
◆	8 Advertising and promotions	100					100
◆	9 Employee travel, lodging and education	345					345
10	Insurance						0
11	Interest expense				3,534		3,534
12	Legal expense	70					70
13	Licenses, taxes & fees	7,416					7,416
14	Postage & freight						0
15	Courier & overnight delivery	38					38
16	Telephone & facsimile	439					439
17	Printing & photocopying	1,760					1,760
18	Office supplies	90					90
19	Equipment & vehicle leases	287					287
20	Depreciation	318					318

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: TitleAmerica Insurance Corporation

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations						0
23	Bad debts						0
24	Loss adjustment expenses incurred						0
25	Losses incurred						0
26	Reinsurance charges (ceded)						0
27	Other	162			4,186		4,348
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	10,367					10,367
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying	269					269
39	Trade association fees	1,333					1,333
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	43,501	0	0	7,720	0	51,221
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	20,270	0	295,506	142,323	0	458,099

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock	1,500,000
Surplus	<u>2,285,777</u>
Investment in Abstract	
Plant (Book Value)	\$ 750,840
Dividend Rate	<u>%</u>

Name of Company: Title Insurance Company of America \_\_\_\_\_

Types of Income		(A)	Title Insurance			(E)	(F)	(G)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents	Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		0	5,928,753				5,928,753
2	Premiums allocated to agency function-other than home office issue		0	4,860,426				4,860,426
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	1,068,327						1,068,327
4	Gross premiums - home office issue		0					0
5	Premiums allocated to agency function - home office issue							0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	0	5,928,753	0			5,928,753
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		0			0
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	1,068,327						1,068,327
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses					132,036		132,036
11	Investment income-dividends-before expenses					0		0
12	Investment income-other-before expenses					420,445		420,445
13	Net realized capital gains (losses)					-15,238		-15,238
14	Net unrealized capital gains (losses)					307,176		307,176
15	<b>Total</b> (Sum of lines 10 through 14)					844,419		844,419
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)						718	718
17	Service charges (from Form 4)	0	0		0	0	40,222	40,222
18	Escrow & abstract fees						0	0
19	Miscellaneous (from Form 4)	0						0
20	<b>Total</b> (Sum of lines 16 through 19)	0	0		0	0	40,940	40,940
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	1,068,327	0		0	844,419	40,940	1,953,686
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	4,754	330	3,680	All other forms For Which A Premium Was Charged		388	9,152



**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company:  Title Insurance Company of America

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	0		0	0
1b	Salaries - owners & partners						0
1c	Salaries - Total	550,514					550,514
2	Employee benefits, relations & welfare	84,115					84,115
3a	Fees paid for title examination & furnishing title evidence - Title Agents	16,191					16,191
3b	Fees paid for title examination & furnishing title evidence - Others	0					0
4a	Closing costs paid non-employees - Title Agents	0					0
4b	Closing costs paid non-employees - Others	0					0
5	Rent	80,688					80,688
6	Utilities	0					0
7	Accounting & auditing	1,710					1,710
◆ 8	Advertising and promotions	63,536					63,536
◆ 9	Employee travel, lodging and education	205,583					205,583
10	Insurance	1,769					1,769
11	Interest expense	0					0
12	Legal expense	12,096					12,096
13	Licenses, taxes & fees	173,008					173,008
14	Postage & freight	0					0
15	Courier & overnight delivery	0					0
16	Telephone & facsimile	65,211					65,211
17	Printing & photocopying	47,508					47,508
18	Office supplies	0					0
19	Equipment & vehicle leases	24,041					24,041
20	Depreciation	28,918					28,918

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company:  Title Insurance Company of America

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees	0					0
22	Dues, boards & associations	14,065					14,065
23	Bad debts	0					0
24	Loss adjustment expenses incurred	105,857					105,857
25	Losses incurred	53,561					53,561
26	Reinsurance charges (ceded)						0
27	Other	23,041					23,041
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents	0					0
32	Net addition to unearned premium reserve	1,556					1,556
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying	0					0
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	1,552,968	0	0	0	0	1,552,968
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	-484,641	0	0	844,419	40,940	400,718

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$1,000,000  
Surplus \$7,686,144  
Investment in Abstract  
Plant (Book Value) \$293,357  
Dividend Rate 0.00%

Name of Company: Title Resources Guaranty Company

Types of Income		(A)	(B) Title Insurance		(C)	(D)	(E)	(F)	(G)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents	Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)	
<b>PREMIUM INCOME</b>									
1	Gross premiums - other than home office issue		0	21,730,765				21,730,765	
2	Premiums allocated to agency function-other than home office issue		0	17,842,778				17,842,778	
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	3,887,987						3,887,987	
4	Gross premiums - home office issue		0					0	
5	Premiums allocated to agency function - home office issue			0				0	
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0	
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	0	21,730,765		0		21,730,765	
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0			0		0	
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	3,887,987						3,887,987	
<b>INVESTMENT INCOME</b>									
10	Investment income-tax exempt-before expenses					218,779		218,779	
11	Investment income-dividends-before expenses					3,919		3,919	
12	Investment income-other-before expenses					79,203		79,203	
13	Net realized capital gains (losses)					65,924		65,924	
14	Net unrealized capital gains (losses)					89,389		89,389	
15	<b>Total</b> (Sum of lines 10 through 14)					457,214		457,214	
<b>OTHER INCOME</b>									
16	Reinsurance fees (acquired)						2,723	2,723	
17	Service charges (from Form 4)	0						0	
18	Escrow & abstract fees							0	
19	Miscellaneous (from Form 4)	0					86,089	86,089	
20	<b>Total</b> (Sum of lines 16 through 19)	0	0			0	88,812	88,812	
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	3,887,987	0			0	457,214	88,812	4,434,013
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	16,978	2,719	12,915	All other forms For Which A Premium Was Charged		2,999	35,611	

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Title Resources Guaranty \_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	0		0	0
1b	Salaries - owners & partners						0
1c	Salaries - Total	482,129			59,445		541,574
2	Employee benefits, relations & welfare	111,171			13,707		124,878
3a	Fees paid for title examination & furnishing title evidence - Title Agents						0
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others						0
5	Rent	40,655					40,655
6	Utilities						0
7	Accounting & auditing	32,137					32,137
◆ 8	Advertising and promotions	114,467					114,467
◆ 9	Employee travel, lodging and education	66,786					66,786
10	Insurance	4,857					4,857
11	Interest expense						0
12	Legal expense	23,917					23,917
13	Licenses, taxes & fees	320,412					320,412
14	Postage & freight	4,654					4,654
15	Courier & overnight delivery	14,422					14,422
16	Telephone & facsimile	28,011					28,011
17	Printing & photocopying	47,683					47,683
18	Office supplies	10,762					10,762
19	Equipment & vehicle leases	2,234					2,234
20	Depreciation	25,503					25,503

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Title Resources Guaranty \_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees	70,414					70,414
22	Dues, boards & associations	4,860					4,860
23	Bad debts	3,111					3,111
24	Loss adjustment expenses incurred	201,496					201,496
25	Losses incurred	246,574					246,574
26	Reinsurance charges (ceded)					8,191	8,191
27	Other	76,809					76,809
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	254,457					254,457
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying	3,111					3,111
39	Trade association fees	15,792					15,792
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	2,206,424	0	0	73,152	8,191	2,287,767
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	1,681,563	0	0	384,062	80,621	2,146,246

**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$10,000,000  
Surplus \$65,602,559  
Investment in Abstract  
Plant (Book Value) \$9,073,250  
Dividend Rate 0.00

Name of Company: Transnation Title Company

Types of Income		(A)	(B)	(C)	(D)	(E)	(F)	(G)	
		Title Insurance				Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)	
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents				
<b>PREMIUM INCOME</b>									
1	Gross premiums - other than home office issue		0	3,143,914				3,143,914	
2	Premiums allocated to agency function-other than home office issue		0	2,581,831				2,581,831	
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	562,083						562,083	
4	Gross premiums - home office issue		0					0	
5	Premiums allocated to agency function - home office issue							0	
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0	
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	0	3,143,914	0			3,143,914	
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		0			0	
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	562,083						562,083	
<b>INVESTMENT INCOME</b>									
10	Investment income-tax exempt-before expenses					1,135		1,135	
11	Investment income-dividends-before expenses					29		29	
12	Investment income-other-before expenses					222,024		222,024	
13	Net realized capital gains (losses)					18,468		18,468	
14	Net unrealized capital gains (losses)					16,814		16,814	
15	<b>Total</b> (Sum of lines 10 through 14)					258,470		258,470	
<b>OTHER INCOME</b>									
16	Reinsurance fees (acquired)						13,200	13,200	
17	Service charges (from Form 4)	0						0	
18	Escrow & abstract fees							0	
19	Miscellaneous (from Form 4)	0						0	
20	<b>Total</b> (Sum of lines 16 through 19)	0	0		0	0	13,200	13,200	
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	562,083	0		0	258,470	13,200	833,753	
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged			Total	
		2,379	599	1,473				4,718	9,169

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Transnation Title Company \_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	0		0	0
1b	Salaries - owners & partners						0
1c	Salaries - Total	54,397					54,397
2	Employee benefits, relations & welfare	11,838					11,838
3a	Fees paid for title examination & furnishing title evidence - Title Agents						0
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others						0
5	Rent	49,522					49,522
6	Utilities						0
7	Accounting & auditing	3,262					3,262
◆ 8	Advertising and promotions	12,391					12,391
◆ 9	Employee travel, lodging and education						0
10	Insurance						0
11	Interest expense						0
12	Legal expense	3,261					3,261
13	Licenses, taxes & fees	86,766					86,766
14	Postage & freight	1,624					1,624
15	Courier & overnight delivery	26					26
16	Telephone & facsimile	2,025					2,025
17	Printing & photocopying						0
18	Office supplies	8,491					8,491
19	Equipment & vehicle leases	1,135					1,135
20	Depreciation	31,640					31,640

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: Transnation Title Company \_\_\_\_\_

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations	10,084					10,084
23	Bad debts	520					520
24	Loss adjustment expenses incurred	23,618					23,618
25	Losses incurred	137,190					137,190
26	Reinsurance charges (ceded)						0
27	Other	35,968			15,362		51,330
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	24,928					24,928
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying						0
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	498,686	0	0	15,362	0	514,048
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	63,397	0	0	243,108	13,200	319,705



**FORM 1**  
**TITLE INSURANCE INCOME EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Capital Stock \$ \_\_\_\_\_  
 Surplus \$ \_\_\_\_\_  
 Investment in Abstract  
 Plant (Book Value) \$ \_\_\_\_\_  
 Dividend Rate \_\_\_\_\_ %

Name of Company: United General Title Insurance Company

Types of Income		(A)	Title Insurance			(E)	(F)	(G)
		Underwriters	Direct Operations	Independent Agents	Affiliated Agents	Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A-F)
<b>PREMIUM INCOME</b>								
1	Gross premiums - other than home office issue		0	1,684,379				1,684,379
2	Premiums allocated to agency function-other than home office issue		0	1,389,926				1,389,926
3	Premiums allocated to underwriter function-other than home office issue (Line 1G - Line 2G)	294,453						294,453
4	Gross premiums - home office issue		0					0
5	Premiums allocated to agency function - home office issue							0
6	Premiums allocated to underwriter function - home office issue (Line 4G - Line 5G)	0						0
7	<b>Gross premiums - Total</b> (Line 1 + Line 4)	0	0	1,684,379	0			1,684,379
8	<b>Total premiums allocated to agency function</b> (Line 2 + Line 5)		0		0			0
9	<b>Total premiums allocated to underwriter function</b> (Line 3 + Line 6)	294,453						294,453
<b>INVESTMENT INCOME</b>								
10	Investment income-tax exempt-before expenses							0
11	Investment income-dividends-before expenses							0
12	Investment income-other-before expenses					3,877		3,877
13	Net realized capital gains (losses)							0
14	Net unrealized capital gains (losses)							0
15	<b>Total</b> (Sum of lines 10 through 14)					3,877		3,877
<b>OTHER INCOME</b>								
16	Reinsurance fees (acquired)							0
17	Service charges (from Form 4)	0						0
18	Escrow & abstract fees							0
19	Miscellaneous (from Form 4)	0						0
20	<b>Total</b> (Sum of lines 16 through 19)	0	0		0	0	0	0
21	<b>TOTAL INCOME</b> (Sum of lines 8,9,15 & 20)	294,453	0		0	3,877	0	298,330
22	<b>NUMBER OF TITLE POLICIES ISSUED IN TEXAS</b>	Owner Policies (R3 and R5)	Mortgagee policies at basic rates- R4	Mortgagee policies at simultaneous issue rates-R5	All other forms For Which A Premium Was Charged			Total
		1,537	231	763				624
								3,155

**FORM 2**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

**Name of Company: United General Title Insurance Company**

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
1a	Salaries - employees		0	0		0	0
1b	Salaries - owners & partners						0
1c	Salaries - Total	97,159					97,159
2	Employee benefits, relations & welfare	15,974					15,974
3a	Fees paid for title examination & furnishing title evidence - Title Agents	2,176					2,176
3b	Fees paid for title examination & furnishing title evidence - Others						0
4a	Closing costs paid non-employees - Title Agents						0
4b	Closing costs paid non-employees - Others						0
5	Rent	11,606					11,606
6	Utilities						0
7	Accounting & auditing	16,193					16,193
◆ 8	Advertising and promotions	1,557					1,557
◆ 9	Employee travel, lodging and education	11,743					11,743
10	Insurance	2,141					2,141
11	Interest expense	122					122
12	Legal expense						0
13	Licenses, taxes & fees	37,645					37,645
14	Postage & freight	2,518					2,518
15	Courier & overnight delivery						0
16	Telephone & facsimile	6,068					6,068
17	Printing & photocopying	6,095					6,095
18	Office supplies	719					719
19	Equipment & vehicle leases	2,875					2,875
20	Depreciation						0

**FORM 2 (Continued)**  
**TITLE INSURANCE EXPENSE EXHIBIT**  
**Calendar Year Ended December 31, 1997**  
**Texas Experience Only**

Name of Company: **United General Title Insurance Company**

Expenses		(A)	(B)	(C)	(D)	(E)	(F)
		Title Insurance			Investment	Escrow, Abstract & Other Business	Gross Amount Per Books (Sum of Columns A - E)
		Underwriters	Direct Operations	Affiliated Agents			
21	Directors fees						0
22	Dues, boards & associations	4,073					4,073
23	Bad debts	-1,298					-1,298
24	Loss adjustment expenses incurred	28,830					28,830
25	Losses incurred	-8,833					-8,833
26	Reinsurance charges (ceded)					25,880	25,880
27	Other	5,056					5,056
28	Tax certificates						0
29	Recording fees						0
30	Plant lease/update costs						0
31	Allowances to managers & agents						0
32	Net addition to unearned premium reserve	1,347					1,347
33	Abstract costs						0
34	Real estate expenses						0
35	Real estate taxes						0
36	Damages paid for bad faith suits	0					0
37	Fines or penalties for violation of law	0					0
38	Donations/lobbying						0
39	Trade association fees	0					0
40	<b>Total Expenses</b> (Sum of lines 1 through 39)	243,766	0	0	0	25,880	269,646
41	Profit or (Loss) before federal income tax (Form 1, line 21 - Form 2, line 40)	50,687	0	0	3,877	-25,880	28,684