

ASSETS

| | | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|------|---|------------------------|----------------------------|--|---|
| | | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. | Bonds | | | | |
| 2. | Stocks: | | | | |
| | 2.1 Preferred stocks | | | | |
| | 2.2 Common stocks | | | | |
| 3. | Mortgage loans on real estate: | | | | |
| | 3.1 First liens | | | | |
| | 3.2 Other than first liens | | | | |
| 4. | Real estate: | | | | |
| | 4.1 Properties occupied by the company | | | | |
| | 4.2 "Properties held for the production of income | | | | |
| | 4.3 "Properties held for sale | | | | |
| 5. | Cash | 351,191 | | 351,191 | 731,241 |
| | Investments | | | | |
| 6. | Contract loans | | | | |
| 7. | Derivatives | | | | |
| 8. | Other invested assets | | | | |
| 9. | Receivables for securities | | | | |
| 10. | Securities lending reinvested collateral assets | | | | |
| 11. | Aggregate write-ins for invested assets | | | | |
| 12. | Subtotals, cash and invested assets (Lines 1 to 11) | 351,191 | | 351,191 | 731,241 |
| 13. | Title plants | | | | |
| 14. | Investment income due and accrued | 1,052 | | 1,052 | 1,386 |
| 15. | Premiums and considerations: | | | | |
| | 15.1 Uncollected premiums and agents' balances in the course of collection | | | | |
| | 15.2 Deferred premiums, agents' balances and installments booked but deferred "and not yet due | | | | |
| | 15.3 Accrued retrospective premiums | | | | |
| 16. | Reinsurance: | | | | |
| | 16.1 Amounts recoverable from reinsurers | | | | |
| | 16.2 Funds held by or deposited with reinsured companies | | | | |
| | 16.3 Other amounts receivable under reinsurance contracts | | | | |
| 17. | Amounts receivable relating to uninsured plans | | | | |
| 18.1 | Current federal and foreign income tax recoverable and interest thereon | | | | |
| 18.2 | Net deferred tax asset | | | | |
| 19. | Guaranty funds receivable or on deposit | | | | |
| 20. | Electronic data processing equipment and software | | | | |
| 21. | "Furniture and equipment, including health care delivery assets | | | | |
| 22. | Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 23. | Receivables from parent, subsidiaries and affiliates | | | | |
| 24. | Health care and other amounts receivable | | | | |
| 25. | Aggregate write-ins for other than invested assets | | | | |
| 26. | Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 352,243 | | 352,243 | 732,627 |
| 27. | From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. | Total (Lines 26 and 27) | 352,243 | | 352,243 | 732,627 |

| DETAILS OF WRITE-IN LINES | | | | |
|---------------------------|---|--|--|--|
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. | Summary of remaining write-ins for Line 11 from overflow page | | | |
| 1199. | Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | | | |
| 2501. | Refundable premium taxes | | | |
| 2502. | Prepaid insurance | | | |
| 2503. | Title Industry Assessment | | | |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | | | |
| 2599. | Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | | | |

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LIABILITIES, SURPLUS AND OTHER FUNDS

| | | 1 | 2 |
|------|--|---------------------------|---------------------------|
| | | Current Statement Date | December 31 Prior Year |
| 1. | Known claims reserve | 496,900 | 437,968 |
| 2. | Statutory premium reserve | 79,816 | 94,020 |
| 3. | Aggregate of other reserves required by law | | |
| 4. | Supplemental reserve | 496,900 | 437,968 |
| 5. | Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers | | |
| 6. | Other expenses (excluding taxes, licenses and fees) | 32,968 | 21,033 |
| 7. | Taxes, licenses and fees (excluding federal and foreign income taxes) | | |
| 8.1 | Current federal and foreign income taxes (including \$ {0 } on realized capital gains (losses)) | | |
| 8.2 | Net deferred tax liability | | |
| 9. | Borrowed money and interest thereon | | |
| 10. | Dividends declared and unpaid | | |
| 11. | Premiums and other consideration received in advance | | |
| 12. | Unearned interest and real estate income received in advance | | |
| 13. | Funds held by company under reinsurance treaties | | |
| 14. | Amounts withheld or retained by company for account of others | | |
| 15. | Provision for unauthorized reinsurance | | |
| 16. | Net adjustments in assets and liabilities due to foreign exchange rates | | |
| 17. | Drafts outstanding | | |
| 18. | Payable to parent, subsidiaries and affiliates | | |
| 19. | Derivatives | | |
| 20. | Payable for securities | | |
| 21. | Payable for securities lending | | |
| 22. | Aggregate write-ins for other liabilities | 5,498 | 5,498 |
| 23. | Total liabilities (Lines 1 through 22) | 1,112,082 | 996,487 |
| 24. | Aggregate write-ins for special surplus funds | | |
| 25. | Common capital stock | 9,508 | 9,508 |
| 26. | Preferred capital stock | | |
| 27. | Aggregate write-ins for other than special surplus funds | | |
| 28. | Surplus notes | | |
| 29. | Gross paid in and contributed surplus | 2,490,492 | 2,490,492 |
| 30. | Unassigned funds (surplus) | (3,259,839) | (2,763,860) |
| 31. | Less treasury stock, at cost: | | |
| 31.1 | {0 } shares common (value included in Line 25 \$ {0 }) | | |
| 31.2 | {0 } shares preferred (value included in Line 26 \$ {0 }) | | |
| 32. | Surplus as regards policyholders (Lines 24 to 30 less 31) | (759,839) | (263,860) |
| 33. | Totals (Page 2, Line 28, Col. 3) | 352,243 | 732,627 |

| DETAILS OF WRITE-INS | | | |
|-----------------------------|---|-------|-------|
| 0301. | | | |
| 0302. | | | |
| 0303. | | | |
| 0398. | Summary of remaining write-ins for Line 03 from overflow page | - | - |
| 0399. | Totals (Lines 0301 through 0303 plus 0398) (Line 03 above) | - | - |
| 2201. | Advances from stockholders | 5,498 | 5,498 |
| 2202. | | | |
| 2203. | | | |
| 2298. | Summary of remaining write-ins for Line 22 from overflow page | - | - |
| 2299. | Totals (Lines 2201 through 2203 plus 2298) (Line 22 above) | 5,498 | 5,498 |
| 2401. | | | |
| 2402. | | | |
| 2403. | | | |
| 2498. | Summary of remaining write-ins for Line 24 from overflow page | - | - |
| 2499. | Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) | - | - |
| 2701. | | | |
| 2702. | | | |
| 2703. | | | |
| 2798. | Summary of remaining write-ins for Line 27 from overflow page | - | - |
| 2799. | Totals (Lines 2701 through 2703 plus 2798) (Line 27 above) | - | - |

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OPERATIONS AND INVESTMENT EXHIBIT

| STATEMENT OF INCOME | | 1 | 2 | 3 |
|------------------------------------|---|-------------------------|-----------------------|---------------------------------|
| | | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| OPERATING INCOME | | | | |
| 1. | Title insurance and related income: | | | |
| 1.1 | Title insurance premiums earned | 14,204 | 38,653 | 51,538 |
| | Title industry assessments | | 1,060,000 | 1,060,000 |
| 1.2 | Escrow and settlement services | | | |
| 1.3 | Other title fees and service charges | | | |
| 2. | Aggregate write-ins for other operating income | | | |
| 3. | Total Operating Income (Lines 1 through 2) | 14,204 | 1,098,653 | 1,111,538 |
| DEDUCT: | | | | |
| 4. | Losses and loss adjustment expenses incurred | 313,988 | 607,033 | 551,911 |
| 5. | Operating expenses incurred | 149,673 | 130,606 | 167,658 |
| 6. | Aggregate write-ins for other operating deductions | | | |
| 7. | Total Operating Deductions | 463,661 | 737,639 | 719,569 |
| 8. | Net operating gain or (loss) (Lines 3 minus 7) | (449,456) | 361,014 | 391,969 |
| INVESTMENT INCOME | | | | |
| 9. | Net investment income earned | 12,182 | 8,200 | 12,301 |
| 10. | Net realized capital gains (losses) less capital gains tax of \$ {0 } | | | |
| 11. | Net investment gain (loss) (Lines 9 + 10) | 12,182 | 8,200 | 12,301 |
| OTHER INCOME | | | | |
| 12. | Aggregate write-ins for miscellaneous income or (loss) | 228 | (3,950) | (3,645) |
| 13. | Net income, after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12) | (437,047) | 365,264 | 400,625 |
| 14. | Federal and foreign income taxes incurred | | | |
| 15. | Net income (Lines 13 minus 14) | (437,047) | 365,264 | 400,625 |
| CAPITAL AND SURPLUS ACCOUNT | | | | |
| 16. | Surplus as regards policyholders, December 31 prior year | (263,860) | (743,321) | (743,321) |
| 17. | Net income (from Line 15) | (437,047) | 365,264 | 400,625 |
| 18. | Change in net unrealized capital gains or (losses) less capital gains tax of \$ {0 } | | | |
| 19. | Change in net unrealized foreign exchange capital gain (loss) | | | |
| 20. | Change in net deferred income taxes | | | |
| 21. | Change in nonadmitted assets | | | |
| 22. | Change in provision for unauthorized reinsurance | | | |
| 23. | Change in supplemental reserves | (58,932) | (34,198) | 78,836 |
| 24. | Change in surplus notes | | | |
| 25. | Cumulative effect of changes in accounting principles | | | |
| 26. | Capital Changes: | | | |
| 26.1 | Paid in | | | |
| 26.2 | Transferred from surplus (Stock Dividend) | | | |
| 26.3 | Transferred to surplus | | | |
| 27. | Surplus Adjustments: | | | |
| 27.1 | Paid in | | | |
| 27.2 | Transferred to capital (Stock Dividend) | | | |
| 27.3 | Transferred from capital | | | |
| 28. | Dividends to stockholders | | | |
| 29. | Change in treasury stock | | | |
| 30. | Aggregate write-ins for gains and losses in surplus | | | |
| 31. | Change in surplus as regards policyholders (Lines 17 through 30) | (495,979) | 331,066 | 479,461 |
| 32. | Surplus as regards policyholders as of statement date (Lines 16 plus 31) | (759,839) | (412,255) | (263,860) |

| DETAILS OF WRITE-IN LINES | | | | |
|---------------------------|---|--------|---------|---------|
| 0201. | | | | |
| 0202. | | | | |
| 0203. | | | | |
| 0298. | Summary of remaining write-ins for Line 02 from overflow page | | | |
| 0299. | Totals (Lines 0201 through 0203 plus 0298) (Line 02 above) | 0 | 0 | 0 |
| 0601. | | | | |
| 0602. | | | | |
| 0603. | | | | |
| 0698. | Summary of remaining write-ins for Line 06 from overflow page | | | |
| 0699. | Totals (Lines 0601 through 0603 plus 0698) (Line 06 above) | 0 | 0 | 0 |
| 1201. | Rental income | 0 | | |
| 1202. | Interest Income | 12,182 | 8,200 | 12,301 |
| 1203. | | | | |
| 1298. | Summary of remaining write-ins for Line 09 from overflow page | | | 0 |
| 1299. | Totals (Lines 1201 through 1203 plus 1298) (Line 09 above) | 12,182 | 8,200 | 12,301 |
| 3001. | Sale of Investment Property (Line 10 above) | | | |
| 3002. | Allocated Receiver Recoveries | 228 | (3,950) | (3,645) |
| 3003. | Other income | 0 | 0 | 0 |
| 3098. | Summary of remaining write-ins for Line 12 from overflow page | 0 | 0 | 0 |
| 3099. | Totals (Lines 3001 through 3003 plus 3098) (Line 12 above) | 228 | (3,950) | (3,645) |

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Statement as of September 30, 2019 of the K.E.L. Title Insurance Group

CASH FLOW

| | 1 Current Year to Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| CASH FROM OPERATIONS | | | |
| 1 Premiums collected net of reinsurance | | | |
| 1.1 Assessments | - | 1,060,000 | 1,060,000 |
| 2 Net investment income | 12,516 | 7,587 | 11,728 |
| 3 Miscellaneous income | 228 | (3,950) | (3,645) |
| 4 Total (lines 1 through 3) | 12,744 | 1,063,637 | 1,068,083 |
| 5 Benefit and loss related payments | 255,056 | 572,835 | 630,746 |
| 6 Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7 Commissions, expenses paid and aggregate write-ins for deductions | 137,738 | 155,627 | 187,436 |
| 8 Dividends paid to policyholders | | | |
| 9 Federal and foreign income taxes paid | | | |
| 10 Total (Lines 5 through 9) | 392,794 | 728,462 | 818,182 |
| 11 Net cash provided by (used in) operations (line 4 minus line 10) | (380,050) | 335,175 | 249,901 |
| CASH FROM INVESTMENTS | | | |
| 12 proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | | | |
| 12.2 Stocks | | | |
| 12.3 Mortgage loans | | | |
| 12.4 Real estate | | | |
| 12.5 Other invested assets | | | |
| 12.6 net gains or (losses) on cash, cash equivalents and short-term investments | | | |
| 12.7 Miscellaneous proceeds | | | |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | - | - | - |
| 13 Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | | | |
| 13.2 Stocks | | | |
| 13.3 Mortgage loans | | | |
| 13.4 Real estate | | | |
| 13.5 Other invested assets | | | |
| 13.6 Miscellaneous applications | | | |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | - | - | - |
| 14 Net increase (decrease) in contract loans and premium notes | | | |
| 15 Net cash provided by (used in) investments (Line 12.8 minus Line 13.7 and Line 14) | - | - | - |
| CASH FROM FINANCING AND MISCELLANEOUS SOURCES | | | |
| 16 Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | | | |
| 16.2 Capital and paid in surplus, less treasury stock | | | |
| 16.3 Borrowed funds | | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | | |
| 16.5 Dividends to stockholders | | | |
| 16.6 Other cash provided (applied) | | | |
| 17 Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus 16.5 plus Line 16.6) | - | - | - |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18 Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17) | (380,050) | 335,175 | 249,901 |
| 19 Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 731,241 | 481,340 | 481,340 |
| 19.2 End of period (line 18 plus Line 19.1) | 351,191 | 816,515 | 731,241 |

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