TITLE COMPANY STATISTICAL REPORT
INSTRUCTIONS AND DEFINITIONS FOR DIRECT UNDERWRITERS
STATE OF WASHINGTON

All direct underwriters of title insurance must complete a Title Company Statistical Report showing separate data for each county where you have had transactions in the state of Washington, issued a policy for property located in a county in the state of Washington (except through a duly appointed title agent), and/or the county of your qualifying title plant in the state of Washington (the county in which your principal office in this state is located). Each report must include all activities of the reporting entity relating to property within the reporting county. For items that cannot be directly attributed to a specific county, the amount reported for each county should be calculated according to the proportion that premiums for the reporting county bear to the premiums for all counties in Washington.

Include transaction counts, income, and expenses for your *direct operations only*. Do not include transactions by your affiliated or independent agents or your expenses supporting agent operations.

1—Title orders opened
Enter total number of title insurance orders opened in the reporting period for the reporting county.

2—Title orders in which a policy was issued
Enter total number of orders completed in the reporting period for the reporting county regardless of when the orders were opened.

3—Title orders cancelled as determined using WAC 284-29-260(10)
Enter total number of orders cancelled as determined using WAC 284-29-260(10) during the reporting period for the reporting county.

4—Number of non-insurance title products produced
Enter the number of non-insurance title products produced by reporting entity or individual during the reporting period on properties in the reporting county. (A “non-insurance title product” is any product produced by the reporting agent which is intended for some use other than a title insurance commitment or policy. Examples of a non-insurance product are ownership and encumbrance reports (O&Es), property profiles, abstracts, opinions, etc.)

5—Searches billed to third parties
Enter the number of searches performed for parties other than reporting entity or individual (e.g., searches performed for another title entity) during the reporting period on properties in the reporting county. (A “search” is any search report prepared specifically for the purpose of producing a commitment for the issuance of a title insurance policy. Do not include searches performed for abstracts, property profiles, guarantees, or other products that are not specifically intended for title insurance policies.)

6—Searches purchased from third parties
Enter the number of searches purchased by the reporting entity or individual from another entity during the reporting period for the purpose of the issuance of a title insurance policy in the reporting county. (A “search” is any search report prepared specifically for the purpose of producing a commitment for the issuance of a title

insurance policy. Do not include searches performed for abstracts, property profiles, guarantees, or other products that are not specifically intended for title insurance policies.)

7—Settlement, escrow, or closing transactions conducted

Enter total number of settlement/escrow/closing transactions conducted during the reporting period in the reporting county. (A "settlement/escrow/closing transaction conducted" is when an agent is acting as a settlement agent throughout the closing process.)

8—Settlement, escrow, or closing transactions in which a title policy was not issued

Enter total number of settlement/escrow/closing transactions conducted in which title insurance was not issued (i.e. "courtesy closings," escrow only, etc.) during the reporting period in the reporting county. (A "settlement/escrow/closing transaction conducted" is when an agent is acting as a settlement agent throughout the closing process.)

9—Title policies issued

Enter total number of title insurance policies issued in reporting period for the reporting county. All policies insuring title to real property must also be classified as either residential or non-residential below. (For total number of policies, include simultaneously issued policies as a single policy. For example, if a transaction consisted of both an owners and a lenders policy, these should be counted as one policy. Likewise, refinance orders with two policies should be counted as one policy.) This number should agree with line 2 and equal the sum of lines 10 and 11.

10—Residential policies issued

From line 9, enter number of policies that were classified as residential. "Residential policies" means title insurance policies that insure the title to real property having a house, individual condominium unit, mobile home permanently affixed to real estate, or other dwelling unit intended principally for the occupancy of from one to four (1-4) families, but does not include multi-family structures intended for the use of 5+ families, undeveloped lots, or real estate intended principally for business, commercial, industrial, religious, educational, or agricultural purposes even if some portion of the real estate is used for residential purposes. On line 10a, enter the number of such policies in which the title insurer conducted the settlement, escrow, or closing of the transaction.

11—Non-residential policies issued

From line 9, enter number of policies that were classified as non-residential. "Non-residential policies" means title insurance policies on properties that are NOT "residential policies" as described in line 10 above. On line 11a, enter the number of such policies in which the title insurer conducted the settlement, escrow, or closing of the transaction.

12—Written premium

Enter total amount of gross title insurance premium written in the reporting period in the reporting county. The statewide total of this line should agree with Schedule T from your annual statement.

13—Settlement, escrow, and closing income

Enter amount of settlement/escrow/closing income during the reporting period in the reporting county.

14—Title examination income

Enter title examination income not included in premiums during the reporting period (and not included in line 12) in the reporting county. Additionally, amounts charged to a third party for examination services should be included here.

15—Abstract and search income
Enter abstract/search income not included in premiums during the reporting period (and not included in line 12) in the reporting county. Additionally, amounts charged to a third party for abstract/search services should be included here.

16—Income from cancelled orders
Enter income received from cancelled orders (i.e. cancellation fees, charges for services already performed, etc.) during the reporting period (and not included on lines 12, 14, or 15) in the reporting county.

17—Investment income
Enter investment income during the reporting period.

18—All other income
All other income not reported above.

19—Total income
Enter the sum of lines 12 through 18.

20—Employees' compensation
Enter the amounts paid for employee compensation otherwise reported for all W-2 employees during the reported period. “Employee compensation” includes salaries, bonus, commissions, overtime, pay while on leave, dismissal allowance and other similar items paid to employees.

21—Payroll taxes
Enter amounts incurred for payroll taxes during the reporting period.

22—Employee benefits
Enter amounts incurred for employee benefits in the reporting period, not otherwise reported on line 19, for all W-2 employees.

23—Contract labor
Enter amounts paid to 1099 contractors during the reporting period.

24—Rent, utilities, and repair
Enter amounts incurred for rent, utilities, equipment, and repairs during the reporting period.

25—Title plant expense and maintenance
Enter amounts incurred for title plant maintenance or subscription fees during the reporting period.

26—Abstract and search expenditures
Abstract/search fees incurred to other entities during the reporting period.

27—Computer and software
Enter amounts incurred for computer and software expenses (net of depreciation, if claimed on yearly taxes) during the reporting period.

28—Business insurance
Enter the amount incurred for business insurance costs during the reporting period.

29—Business legal
Enter business legal expenses incurred during the reporting period. (**Note**: Do not include legal expenses for claims or losses here.)

30—Accounting
Enter accounting, auditing, and examination expenses incurred during the reporting period.

31—Licenses, taxes, and fees
Enter the amount incurred for licenses, taxes, and other governmental fees incurred during the reporting period. (**Note:** Do not include recording charges or federal income taxes here.)

32—Marketing and sales
Enter the amount incurred for marketing and sales expenditures (if not included as reimbursements in wages) during the reporting period.

33—Travel and lodging
Enter the amount incurred for travel and lodging expenses during the reporting period.

34—Employee education
Enter the amount of employee education expenses incurred during the reporting period.

35—Bank charges
Enter the amount of unreimbursed bank charges incurred during the reporting period.

36—Charge offs
Enter accounts receivable charge-offs during the reporting period.

37—Miscellaneous expenses
Enter miscellaneous expenses including depreciation (e.g. office supplies) during the reporting period.

38—Title losses paid
Enter total amount of title losses paid by the reporting entity, net of recoupment, during the reporting period in the reporting county. Do not include legal expenses incurred as a result of claim investigation or settlement of reporting entity’s title losses. Enter legal expenses on line 40.

39—Abstract/search losses (from abstracts/searches sold)
Enter total amount of losses paid during the reporting period in the reporting county resulting from abstracts or searches performed, not otherwise included in line 38, and not paid from the underwriter’s policy loss reserves.

40—Title loss-related legal expenses
Enter total amount of title loss-related legal expenses paid during the reporting period in the reporting county for the underwriter’s direct operation, not otherwise included in line 38, and not paid from the underwriter’s policy loss/expense reserves.

41—Federal income tax incurred

Enter the amount of federal income tax incurred for the reporting period using the effective tax rate from the reporting entity's tax return for the reporting year.

42—Other expenses

Enter all other ordinary and necessary expenses incurred during the reporting period in the reporting county which are required to operate.

43—Total expenses

Enter the sum of lines 20 through 42.

44—Estimated average cost to issue a title insurance commitment in the reporting county

The entry for line 43, divided by line 1, the number of title insurance commitments issued in the reporting county.