

**FIDELITY NATIONAL TITLE OF NEW MEXICO INC.**

**AGREED-UPON PROCEDURES**

**AND**

**NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL  
REPORT**

**Year Ended December 31, 2016**

**FIDELITY NATIONAL TITLE OF NEW MEXICO INC.  
AGREED-UPON PROCEDURES  
AND  
NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT  
YEAR ENDED DECEMBER 31, 2016  
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FIDEL PERNER & MICHNOVICZ, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**13.14.4.13 SCHEDULE A – INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES**

Fidelity National Title of New Mexico, Inc. and the New Mexico Public Regulation Commission, Insurance Division:

We have performed the procedures required by 13.14.4.11 NMAC, which were agreed to by the Insurance Division of the New Mexico Public Regulation Commission, solely to assist the Insurance Division in evaluating Fidelity National Title of New Mexico Inc.'s compliance with the provisions of Sections 59A-12-22 NMSA 1978 and 59A-30-4 NMSA 1978 and 13.14.4 NMAC relating to escrow services provided during the period January 1, 2016 through December 31, 2016. Fidelity National Title of New Mexico Inc.'s management is responsible for compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures for either the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Fidelity National Title of New Mexico Inc. and the New Mexico Insurance Division and is not intended to be and should not be used by anyone other than these specified parties.

*Fidel Perner Michnovicz LLC*

May 11, 2017

Fidelity National Title Insurance Company			
13.14.4.14 Schedule B - Description of Credit Balances Open 3 Years or Longer			
As of December 31, 2016			
	Date of	Amount	
File Number	Origin	in Escrow	Reason for Amount Held
SE246626F1	9/16/2004	21,803.66	Escrow funds held in interest bearing account
6218002804	9/7/2007	50,926.44	Earnest money held in interest bearing account
FT000015843	10/26/08	\$500.00	EM check voided to create balance
FT000022953	02/12/09	\$500.00	EM check voided to create balance
1060484	03/19/09	\$31.74	check voided to create balance
FT000032082	06/19/09	\$100.00	EM check voided to create balance
1070845	10/08/09	\$4.00	check voided to create balance - to be escheated
FT000067357	01/05/11	\$100.00	EM check voided to create balance
FT000073453	4/11/2011	\$34,385.94	Escrow funds held in interest bearing account
FT000073454	4/11/2011	\$34,385.94	Escrow funds held in interest bearing account
FT000073277	04/20/11	\$50.00	EM check voided to create balance
FT000074514	05/05/11	\$50.00	EM check voided to create balance
FT000076443	05/20/11	\$500.00	EM check voided to create balance
FT000076884	6/21/2011	\$15.00	check voided to create balance
FT000076931	7/13/2011	\$5.00	EM check voided to create balance
FT000082999	09/08/11	\$250.00	EM check voided to create balance
FT000081562	01/31/12	\$2,665.31	check voided to create balance
FT000105464	06/04/12	\$90.95	Pest Inspection
FT000083440CM	06/18/12	\$500.00	Earnest Money
FT000112619	08/15/12	\$1,000.00	Earnest Money - interplead
FT000105008	09/07/12	\$500.00	EM check voided to create balance
FT000132316	04/05/13	\$500.00	EM check voided to create balance
FT000143082	09/04/13	\$17,009.04	Escrow funds held in interest bearing account
FT000142760S	09/11/13	\$3,000.00	Earnest Money
FT000146823	11/04/13	\$1,060.82	Seller Funds
FT000150898S	12/27/13	\$1,000.00	Earnest Money
		170,933.84	



Fidelity National Title of New Mexico Inc.

13.14.4.16 Schedule D - Analysis of Bank Overdrafts and Other Irregularities

As of December 31, 2016

Section A.				
Bank Name and Account Number	Amount	Date of Origin	Date of Clearance	Explanation
None				

<b>Section B.</b> Please provide a complete explanation of any other irregularities that are not explained in Section A.

**NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT**

**AFFIDAVIT**

*For Calendar Year Ending December 31, 2016*

THE STATE OF New Mexico

THE COUNTY OF Bernalillo

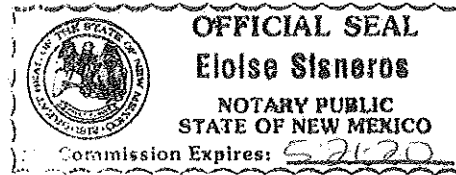
Sharon Machaca, the State Manager (job position) of FNT/AVM (name of Company), being duly sworn, deposes and says that all of the income, expense and other informational items contained on the attached Schedules A through H of this named Company's Agents Statistical Report for the year ended December 31, 2016 are a full and true statement of income and expenses in accordance with the instructions provided, according to the best of my information, knowledge and belief.

Sharon Machaca  
Signature

SUBSCRIBED AND SWORN BEFORE ME this 15 day of May, 2017.

[Signature]  
Notary Public

5-21-20  
My Commission Expires



**NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT**

**SCHEDULE A: STATEMENT OF INCOME AND EXPENSES**

For the Calendar Year Ending December 31, 2016

AGENCY NAME: Fidelity National Title of New Mexico Inc.  
 FEDERAL I.D. NUMBER: 33-1028352  
 ADDRESS: 8500 Menaul NE STE B 150  
 CONTACT NAME: Pam Walker

**Check One:**

- INDEPENDENT (NON-AFFILIATED) Title insurance agencies that are independently owned and write title insurance business one or more title insurance underwriters
- AFFILIATED Title insurance agencies with 10% or greater ownership by a title insurance underwriter, including wholly-owned agencies.
- DIRECT Agency-type operations performed by the home or branch office of a title insurance underwriter. This does NOT include wholly-owned agencies.

<b>Part A: Revenue</b>	
1. Title insurance written premiums (from Schedule B)	20,515,660
2. Loss: Remitted title insurance premiums (from Schedule B)	4,061,300
3. Retained title insurance premiums (from Schedule B)	16,464,360
4. Other income (from Schedule C)	4,976,361
<b>5. Total Revenue</b>	<b>21,430,721</b>

<b>Part B: Expenses</b>	
1. Employees' salaries and wages	11,275,508
2. Owners' and partners' salaries and wages	
3. Employee benefits	2,056,501
4. Rent	935,307
5. Insurance	101,333
6. Legal expense	120,886
7. Licenses, taxes and fees	13,646
8. Title plant expense and maintenance	455,303
9. Office supplies	260,622
10. Depreciation	95,405
11. Automobile expense	10,209
12. Communication expense	87,447
13. Education expense	28,559
14. Bad debts	266
15. Interest expense	65
16. Employee travel and lodging	143,995
17. Loss and loss adjustment expense (from Schedule D)	277,221
18. Accounting and auditing expense	7,889
19. Public relations expense	149,518
20. Other expenses (from Schedule E)	1,303,976
<b>21. Total Expenses</b>	<b>17,324,888</b>

<b>Part C: Net Income for Ratemaking Purposes</b>	
1. Income (Loss) from Operations	4,105,834

<b>Part D: Excluded Expenses</b>	
1. NMLTA lobbying expense	2,128
2. Direct lobbying expense	1
3. Political contributions	102
4. State and federal income tax expense	1,104,049
5. 1/2 of meals and entertainment expense	97,720
6. Penalties	4,308
7. Country club dues	4,388
8. Salaries in excess of salary cap	
9. Other excluded expenses (from Schedule E)	23,319
<b>10. Total Excluded Expenses</b>	<b>1,236,015</b>

<b>Part E: Net Income</b>	
1. Net income as reported on the books of the agency	2,869,818

<b>Part F: Equity</b>	
1. Total equity as reported on balance sheet of the agency	26,041,679

<b>Part G: Employees</b>	
1. Total number of employees	117



# NEW MEXICO TITLE INSURANCE AGENT'S STATISTICAL REPORT

## SCHEDULE B: PREMIUMS BY UNDERWRITER

*For the Calendar Year Ending December 31, 2016*

1 Name of Each Underwriting Company for Which This Agency Charged Premiums	2 Title Premiums Written by this Agency for the Total Calendar Year Reported	3 Title Premiums Remitted or Owed by this Agency to Underwriters	4 Title Premiums Retained by This Agency
Alamo Title Insurance Company			0
Alliant National Title Insurance Company			0
Chicago Title Insurance Company	810576	153988	656,588
Commonwealth Land Title Insurance Company	31544	6193	25,351
EnTitle Insurance Company			0
Fidelity National Title Insurance Company	19673540	3901119	15,772,421
First American Title Insurance Company			0
Investors Title Insurance Company			0
Lawyers Title Insurance Corporation			0
North American Title Insurance Company			0
Old Republic National Title Insurance Company			0
Premier Land Title Insurance Company			0
Security Union Title Insurance Company			0
Stewart Title Guarantee Company			0
Ticor Title Insurance Company			0
Title Resources Guaranty Company			0
Transnation Title Insurance Company			0
WFG National Title Insurance Company			0
Other			0
<b>Total</b>	<b>20515660</b>	<b>4061300</b>	<b>16454360</b>
	(Carry total forward to Schedule A, line A-1)	(Carry total forward to Schedule A, line A-2)	(Carry total forward to Schedule A, line A-3)

Percentage of premiums remitted: 19.8%

**PERCENTAGE OF PREMIUMS REMITTED MUST BE GREATER THAN OR EQUAL TO 20%**

**NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT**

**SCHEDULE C: IDENTIFICATION OF OTHER INCOME**

*For the Calendar Year Ending December 31, 2016*

<b>Part A: Description of Income Item</b>	
1. Closing Fees	5,588,560
2. Abstracting and Title Report Income	
3. Recording Fees	68,484
4. Copy Fees	
5. Inspection Fees	
6. Interest Income	39,559

<b>Part B: Itemization of All Other Income</b>	
7. Report Fees	14,856
8. Wire Transfer Fees	354,158
9. Plant Usage Fees	5,263
10. Postage & Shipping Income	19,529
11. Intercompany Revenue Sharing Fee	(1,659,518)
12. Search Fees - Non Provisional	397,131
13. Other Income	178,339
14.	
15.	
16.	
17.	
18.	
19.	

<b>Total Other Income (Carry forward to Schedule A, line A-4)</b>	<b>4,976,361</b>
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<b>Part C: Commitments Not Paid</b>		<b>Premium per Commitment</b>
1. Number of Commitments Not Paid for	0	\$ 100.00
2. Premium Lost on Unpaid Commitments	\$ -	

**NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT**

**SCHEDULE D: LOSSES AND LOSS ADJUSTMENT EXPENSES**

*For the Calendar Year Ending December 31, 2016*

Description of Expense Item	
1. Closing Losses	216,068
2. Agent Errors	
3. Unfair Trade Practices	
4. Loss Adjustment Expenses	
5. E&O or Fidelity Insurance	61,153
Total (Carry forward to Schedule A, line B-17)	
	277,221

# NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT

## SCHEDULE E: IDENTIFICATION OF OTHER EXPENSES

*For the Calendar Year Ending December 31, 2016*

Part A - Deductible Expenses		
1.	Data Processing	473,216
2.	Outsourced Services	59,051
3.	Other Professional Fees and Dues	339,083
4.	Recording Fees	108,874
5.	Operating Expenses	137,415
6.	Building and Equipment Expense	38,823
7.	Records Moving and Storage	147,514
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
Total (Carry forward to Schedule A, line B-20)		1,303,976

Part B - Excluded Expenses		
1.	Charitable Contributions	23,319
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		
Total (Carry forward to Schedule A, line D-9)		23,319

# NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT

For the Calendar Year Ending December 31, 2016

## SCHEDULE F: INCOME OR EXPENSE ALLOCATION FROM OTHER AFFILIATED ENTITIES

1	2	3	4	5
Name and Address of Affiliated Agency	Relation to Your Agency	Amount	Description Code	Reported Elsewhere in This Report?
Total:		0		

Description	Code
Income	I
Expense Allocation	E

**NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT**

**SCHEDULE G: PREMIUMS BY COUNTY**

*For the Calendar Year Ending December 31, 2016*

County	Title Premiums Written
Bernalillo	11,559,851
Catron	
Chaves	1,247,399
Cibola	360
Colfax	125
Curry	584
De Baca	
Dona Ana	8,572
Eddy	714
Grant	
Guadalupe	
Harding	
Hidalgo	
Lea	
Lincoln	848
Los Alamos	2,604
Luna	
McKinley	
Mora	
Otero	100
Quay	
Rio Arriba	61,874
Roosevelt	
San Juan	125
San Miguel	1,038
Sandoval	3,303,826
Santa Fe	2,938,731
Sierra	
Socorro	250
Taos	383,379
Torrance	133
Union	
Valencia	1,005,147
<b>TOTAL</b>	<b>20,515,660</b>

Crosscheck with Schedule B:	20,515,660
Difference:	0

# NEW MEXICO TITLE INSURANCE AGENTS STATISTICAL REPORT

For the Calendar Year Ending December 31, 2016

## SCHEDULE H: IDENTIFICATION OF OWNERS

1	2	3
Name of Each Individual or Entity	Percentage of Agency Owned	Description Code (see below)
FNTS Holdings Inc.	100.0%	NA
<b>Total</b>	100.0%	

Code	Description
A	Attorney
REA	Real estate agent
RED	Real estate developer
L	Lending institution
UW	Underwriter
NA	None of the above