



**EXAMINATION REPORT  
OF**

**Commonwealth Land Title Insurance Company  
Jacksonville, Florida**

**NAIC Company Code: 50083**

**as of  
December 31, 2023**

**By  
The Florida Office of Insurance Regulation**

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May 29, 2025

Michael Yaworsky  
Commissioner  
Office of Insurance Regulation  
State of Florida  
Tallahassee, Florida 32399-0326

Dear Commissioner:

Pursuant to your instructions, in compliance with Section 624.316, Florida Statutes, Rule 69O-138.005, Florida Administrative Code, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners (“the NAIC”), we have conducted an examination as of December 31, 2023, of the financial condition and corporate affairs of

**Commonwealth Land Title Insurance Company**

601 Riverside Avenue  
Jacksonville, Florida 32204

hereinafter referred to as “the Company.” Such report of examination is herewith respectfully submitted.

## SCOPE OF EXAMINATION

This examination covered the period of January 1, 2019, through December 31, 2023, and the fieldwork commenced with planning with the Florida Office of Insurance Regulation (“the Office”) on June 22, 2024. The fieldwork concluded as of May 29, 2025. The Company’s last full scope exam by representatives of the Office covered the period of January 1, 2014, through December 31, 2018.

The examination was conducted in accordance with the NAIC Financial Condition Examiners Handbook (“the Handbook”). The Handbook requires that the examination be planned and performed to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer’s surplus to be materially misstated both currently and prospectively.

The examination was a multi-state/coordinated process. The lead state for this exam was Florida, and states that participated in this exam were New York and Texas.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with the NAIC Statements of Statutory Accounting Principles (“SSAP”).

This examination report includes information obtained from the examination of the records, accounts, files and documents of or relative to the Company and other information as permitted by Section 624.319, Florida Statutes. There may be other items identified during the examination that, due to their nature (for example, subjective conclusions or proprietary information), are not included within the examination report but separately communicated to other regulators and/or the Company.

## SUMMARY OF SIGNIFICANT FINDINGS

### Current Examination Findings

There were no significant findings as a result of this examination as of December 31, 2023.

### Previous Examination Findings

There were no significant findings as a result of this examination as of December 31, 2018.

## COMPANY HISTORY

### General

The Company was founded as a Pennsylvania domestic title insurance company in 1876 and re-domesticated to Nebraska on May 30, 2006. Pursuant to the Stock Purchase Agreement among Fidelity National Title Insurance Company (“FNTIC”), Chicago Title Insurance Company (“CTIC”) and LandAmerica Financial Group, Inc. (“LFG”) dated November 25, 2008, and as subsequently amended, CTIC acquired all of the issued and outstanding shares of the Company from LFG. The acquisition closed on December 22, 2008. The Company is a wholly owned subsidiary of CTIC which is ultimately owned by Fidelity National Financial, Inc. (“FNF”). The Company redomiciled to Florida from Nebraska on March 1, 2017.

### Dividends

In accordance with Section 628.371, Florida Statutes, the Company declared and paid dividends to its stockholders in the amounts of:

|      |              |
|------|--------------|
| 2019 | \$68,188,555 |
| 2020 | \$56,081,307 |
| 2021 | \$62,160,766 |
| 2022 | \$92,490,960 |
| 2023 | \$67,012,592 |

## Capital Stock and Capital Contributions

As of December 31, 2023, the Company's capitalization was as follows:

|  |             |
|--|-------------|
| Number of authorized common capital shares | 1,000,000   |
| Number of shares issued and outstanding    | 1,000,000   |
| Total common capital stock                 | \$2,000,000 |
| Par value per share                        | \$2.00      |

## Surplus Notes

The Company did not have or issue any surplus notes during the examination.

## Acquisitions, Mergers, Disposals, Dissolutions

The Company had no acquisitions, mergers, disposals, or dissolutions during the period under examination.

## MANAGEMENT AND CONTROL

### Corporate Governance

The annual shareholder meeting for the election of Directors was held in accordance with Section 628.231, Florida Statutes. Directors serving as of December 31, 2023, are shown below:

| <b>Directors</b>      |                       |  |
|-----------------------|-----------------------|--|
| <b>Name</b>           | <b>City, State</b>    | <b>Principal Occupation,<br/>Company Name</b>  |
| Marjorie Rose Nemzura | Chicago, Illinois     | Vice President, Corporate Secretary,<br>Commonwealth Land Title Insurance<br>Company |
| Steven Guy Day        | Jacksonville, Florida | President of National Agency<br>Operations, Fidelity National<br>Financial, Inc.     |
| Anthony John Park     | Jacksonville, Florida | Chief Financial Officer, Fidelity<br>National Financial, Inc.                        |
| Roger Scott Jewkes    | Las Vegas, Nevada     | Executive Vice President, Fidelity<br>National Financial, Inc.                       |

|                      |                       |  |
|----------------------|-----------------------|--|
| Michael Joseph Nolan | Jacksonville, Florida | Chief Executive Officer, Fidelity National Financial, Inc. |
|----------------------|-----------------------|--|

In accordance with the Company's Bylaws, the Board appointed the following Senior Officers serving as of December 31, 2023:

| <b>Senior Officers</b> |                       |  |
|------------------------|-----------------------|--|
| <b>Name</b>            | <b>City, State</b>    | <b>Title</b>                             |
| Michael Joseph Nolan   | Jacksonville, Florida | COB, President & Chief Executive Officer |
| Marjorie Rose Nemzura  | Chicago, Illinois     | VP & Corporate Secretary                 |
| Anthony John Park      | Jacksonville, Florida | EVP, Chief Financial Officer & Treasurer |

The Company's ultimate parent, Fidelity National Financial, Inc., maintains an audit committee which also serves as the Company's audit committee as required by Section 624.424(8)(c), Florida Statutes.

| <b>Audit Committee</b>      |                       |
|-----------------------------|-----------------------|
| Douglas K. Ammerman (Chair) | Heather H. Miller (i) |
| John D. Rood                |                       |

- (i) Peter O. Shea, Jr. replaced Heather Miller on the Audit Committee as of February 14, 2024.

### **Holding Company System**

A simplified organizational chart as of December 31, 2023, reflecting the holding company system and ultimate parent of the Company, is shown on the following page. Schedule Y of the Company's 2023 annual statement provided a list of all related companies of the holding company group and ultimate parent.

**Commonwealth Land Title Insurance Company  
Simplified Organizational Chart  
December 31, 2023**



The following agreements were in effect between the Company and its affiliates:

As of December 2023, the Company has 78 issuing agency contracts with affiliates in which the Company has appointed the agents as its policy issuing agents for the purpose of issuing title insurance commitments, policies and endorsements and other title assurances provided by the Company.

#### **Amended and Restated Support Services Cost Sharing Agreement**

The Company entered into an Amended and Restated Support Services Cost Sharing Agreement with certain FNF affiliates including FNTIC and CTIC effective April 28, 2017. The costs attributed to, and payable by, each party are the applicable portion of the actual costs and expenses incurred for the performance of the services for such party. The allocation method is based on actual services used by the party. The Company made no payments under this agreement during 2023.

#### **Second Amended and Restated Cost Sharing Agreement**

Effective April 9, 2018, the Company, Rocky Mountain Support Services Inc. ("RMSS"), EC Purchasing Inc. ("ECP"), Next Ace Corporation ("Next Ace") and FNF India Private Limited (collectively the Companies and affiliates of FNF), entered into a Cost Sharing Agreement (Second Amended and Restated). The parties agree to share the costs RMSS incurs in obtaining and providing access to title plants owned by the Companies and FNF affiliates. Costs include Title plant access, Next Ace services, and FNF India services. Monthly, each party pays its portion of actual costs and expenses incurred by RMSS and/or ECP in connection with delivering services. The Company made payments totaling \$330,050 under this agreement during 2023.

#### **Second Amended and Restated Master Services Agreement**

Effective May 4, 2017, FNF entered into an Amended and Restated Master Services Agreement with certain subsidiaries including the Company, FNTIC and CTIC, to provide for the coordination of administrative functions by and between the members of the FNF holding company system. The agreement was amended effective November 15, 2021, to add Rocky Mountain Insurance Company, a Vermont domiciled insurance company, as a party. The agreement covers general corporate services including, legal, communications, advertising, regulatory, financial, claims administration, general administrative support, underwriting, title support services and IT. The Company made payments totaling \$69,976,373 under this agreement during 2023.

### **Amended and Restated Allocation Agreement**

Effective May 1, 2017, FNF entered into an Amended and Restated Allocation Agreement, relative to an Excess of Loss Program, with all its insurance subsidiaries. FNF is authorized to negotiate, enter into and administer reinsurance contracts for excess of loss coverage. The annual cost for the excess loss program is based on each individual insurance subsidiary's percentage of gross net written premium. The Company made payments totaling \$1,832,431 under the agreement in 2023.

### **Amended and Restated Investment Management Agreement**

Effective April 28, 2017, FNF and its subsidiaries entered into an Investment Management Agreement with Newport Global Advisors LP. The Investment Management Agreement establishes and governs the responsibilities and obligations of the parties with regard to the management and investment of the assets.

### **Tax Sharing Agreement**

The Company, its affiliates, and its parent, FNF, filed a consolidated federal income tax return. On December 31, 2023, the method of allocation between the Company and FNF was on a separate-entity basis. The Company computes its tax as though it pays the tax on a standalone basis except that the Company is reimbursed for losses generated that can be used in the consolidated FNF return. The allocation of expenses of the participants in the tax sharing agreement is in accordance with the cost allocation method in SSAP 70. Each subsidiary pays FNF an amount equal to any separate company tax liability of the subsidiary. Each subsidiary pays FNF the amount due no later than 90 days after filing any federal income tax return of the FNF group.

## **ACCOUNTS AND RECORDS**

The Company maintained its principal operational offices in Jacksonville, Florida.

## **TERRITORY AND PLAN OF OPERATIONS**

The Company was authorized to transact insurance in 49 states (Iowa excluded), the District of Columbia and Puerto Rico.

The Company was authorized to transact insurance in Florida on July 10, 1958, and is currently authorized to write title insurance. The Company writes both residential and commercial title insurance through direct operations and independent agents, primarily utilizing sales personnel to market and expand their network to individual homeowners, bank and non-bank mortgage originators, and national trustees who order title insurance policies for their clients. Additionally, FNF aids in the Company's business operations through providing essential functions including claims handling, underwriting, information security, risk management, and information technology support.

### **REINSURANCE**

Effective August 20, 2013, all companies within the company system of Fidelity National Financial, Inc., contracted with Guy Carpenter & Company, LLC ("Guy Carpenter") to be a reinsurance intermediary, which remains in place today. Guy Carpenter is authorized to transact up to \$400 million in reinsurance placements, which FNF has the right to bind.

Arthur J. Gallagher & Co. ("Gallagher") acts as another reinsurance intermediary for all subsidiaries and affiliated companies within FNF, as they acquired Willis Re Inc. ("Willis Re") in 2021. Willis Re began acting as a reinsurance intermediary for FNF December 21, 2018, handling reinsurance placements above \$400 million, with FNF retaining the right to bind the reinsurance.

### **Reinsurance Assumed**

In 2023, the Company assumed a total of \$448,000 in business from affiliates. The affiliated business consisted of lines from title insurance companies within the FNF structure: FNTIC (\$161,000) and CTIC (\$287,000).

## **Reinsurance Ceded**

The reinsurance department within FNF handles all reinsurance transactions within the company system, conducting an annual review to determine individual limits for each company and ensure all companies are within state statutory limits, or self-imposed limits, if applicable. FNF contracts with both Guy Carpenter and Gallagher for their Excess of Loss Program, with contracts renewing annually. From December 1, 2022, through November 30, 2023, FNF had four excess of loss reinsurance contracts, with some having multiple layers. From December 1, 2023, to November 30, 2024, FNF had five excess of loss reinsurance contracts, with some having multiple layers.

In 2023, the Company ceded \$2.468 million of the \$505.7 million direct premiums written to authorized insurers consisting of affiliates, non-affiliates, and other non-U.S. insurers.

The reinsurance agreements reviewed complied with NAIC standards with respect to the standard insolvency clause, arbitration clause, intermediary clause, transfer of risk, reporting and settlement information deadlines.

## **FINANCIAL STATEMENTS**

The following includes the Company's statutory Statement of Assets, Liabilities, Surplus and Other Funds; statutory Statement of Income; and the statutory Analysis of Changes in Surplus for the year ended December 31, 2023. The financial statements are based on the statutory financial statements filed by the Company with the Florida Office of Insurance Regulation and present the financial condition of the Company for the period ending December 31, 2023. (Note: Failure of the columns to add to the totals reflected in this Report is due to rounding.)

**Commonwealth Land Title Insurance Company**  
**Assets**  
**December 31, 2023**

|   | Assets                      | Nonadmitted<br>Assets      | Net Admitted<br>Assets      |
|---|-----------------------------|----------------------------|-----------------------------|
| Bonds   | \$254,978,189               |                            | \$254,978,189               |
| Stocks  |                             |                            |                             |
| Preferred stocks  | 34,029,816                  |                            | 34,029,816                  |
| Common stocks   | 142,001,883                 |                            | 142,001,883                 |
| Mortgage loans on real estate   |                             |                            |                             |
| First liens   | 239,565                     | 62,504                     | 177,061                     |
| Other than first liens  | 91,500                      | 91,500                     |                             |
| Real Estate   |                             |                            |                             |
| Properties occupied by the company  | 20,426                      |                            | 20,426                      |
| Properties held for sale  | 26,800                      | 15,200                     | 11,600                      |
| Cash and cash equivalents   | 36,532,911                  |                            | 36,532,911                  |
| Other invested assets   | 61,540,126                  | 2,555,043                  | 58,985,083                  |
| Subtotals, cash and invested assets   | \$529,461,216               | \$2,724,247                | \$526,736,969               |
| Title plants  | 7,192,752                   |                            | 7,192,752                   |
| Investment income due and accrued   | 3,858,972                   |                            | 3,858,972                   |
| Premiums and considerations   |                             |                            |                             |
| Uncollected premiums and agents' balances   | 12,104,804                  | 4,589,668                  | 7,515,136                   |
| Reinsurance   |                             |                            |                             |
| Amounts recoverable from reinsurers   | 49,133                      |                            | 49,133                      |
| Current federal and foreign income tax recoverable and interest                           | 1,756,136                   |                            | 1,756,136                   |
| Net deferred tax asset  | 4,726,050                   | 597,840                    | 4,128,210                   |
| Electronic data processing equipment and software   | 96,032                      | 96,032                     |                             |
| Furniture and equipment, including health care delivery assets                            | 188,256                     | 188,256                    |                             |
| Receivable from parent, subsidiaries and affiliates                                       | 2,738,655                   |                            | 2,738,655                   |
| Aggregate write-in for other than invested assets   | 3,986,851                   | 2,753,569                  | 1,233,282                   |
| Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts | \$566,158,857               | \$10,949,612               | \$555,209,245               |
| <b>Total</b>  | <b><u>\$566,158,857</u></b> | <b><u>\$10,949,612</u></b> | <b><u>\$555,209,245</u></b> |

**Commonwealth Land Title Insurance Company**  
**Liabilities, Surplus and Other Funds**  
**December 31, 2023**

|                                       | Per Company          |
|---------------------------------------|----------------------|
| Known claims reserve                  | \$28,884,206         |
| Statutory premium reserve             | 216,709,051          |
| Other expenses                        | 13,217,105           |
| Taxes, licenses and fees              | 142,846              |
| Derivatives                           | 163,182              |
| Payable for securities                | 1,068                |
| Total liabilities                     | \$259,117,458        |
| Common capital stock                  | 2,000,000            |
| Gross paid-in and contributed surplus | 247,707,948          |
| Unassigned funds (surplus)            | 46,383,839           |
| Surplus as regards policyholders      | 296,091,787          |
| Totals                                | <u>\$555,209,245</u> |

**Commonwealth Land Title Insurance Company**  
**Statement of Income**  
**December 31, 2023**

|  | Per Company          |
|--|----------------------|
| <b>Operating Income</b>  |                      |
| Title insurance and related income   |                      |
| Title insurance premiums earned  | \$512,202,251        |
| Escrow and settlement services   | 2,901,885            |
| Other title fees and service charges   | 26,957,151           |
| Total operating income   | <u>\$542,061,287</u> |
| <b>Expenses</b>  |                      |
| Losses and loss adjustment expenses incurred                                 | 45,451,038           |
| Operating expenses incurred  | 477,763,018          |
| Total operating expenses   | <u>\$523,214,056</u> |
| Net operating gain (loss)  | <u>\$18,847,231</u>  |
| <b>Investment Income</b>   |                      |
| Net investment income earned   | 20,222,569           |
| Net realized capital gains or (losses)                                       | (4,266,860)          |
| Net investment gain or (loss)  | <u>\$15,955,709</u>  |
| <b>Other Income</b>  |                      |
| Aggregate write-ins for miscellaneous income                                 | 1,055,508            |
| Net income after capital gains tax and before all other federal income taxes | 35,858,448           |
| Federal & foreign income taxes incurred                                      | 8,159,424            |
| Net Income   | <u>\$27,699,024</u>  |
| <b>Capital and Surplus Account</b>   |                      |
| Surplus as regards policyholders, December 31 prior year                     | 316,720,540          |
| Net Income   | 27,699,024           |
| Change in net unrealized capital gains or losses less capital gains tax      | 15,786,456           |
| Change in net deferred income taxes  | 305                  |
| Change in non-admitted assets  | 2,898,054            |
| Dividends to stockholders  | (67,012,592)         |
| Change in surplus as regards policyholders for the year                      | (20,628,753)         |
| Surplus as regards policyholders, December 31, current year                  | <u>\$296,091,787</u> |

**Commonwealth Land Title Insurance Company  
Reconciliation of Capital and Surplus  
December 31, 2023**

No adjustments were made to surplus as regards policyholders as a result of this examination.

| <b>Capital/Surplus Change during Examination Period</b> |             |             |                      |
|---|-------------|-------------|----------------------|
|   | Increase    | Decrease    |                      |
| Surplus at December 31, 2018 per Company                |             |             | \$362,835,730        |
| Net income  | 310,827,738 |             |                      |
| Change in net unrealized capital gain or loss           |             | 35,381,544  |                      |
| Change in net deferred income tax                       | 4,510,594   |             |                      |
| Change in non-admitted assets                           |             | 766,551     |                      |
| Dividends to stockholder                                |             | 345,934,180 |                      |
| Net increase (or decrease)                              |             |             | (\$66,743,943)       |
| Surplus at December 31, 2023 per Company                |             |             | <u>\$296,091,787</u> |

## COMMENTS ON FINANCIAL STATEMENT ITEMS

### Liabilities

John R. Kryczka, FCAS, MAAA, managing director of PricewaterhouseCoopers LLP, appointed by the Board, rendered an opinion on the provision of the loss and loss adjustment expense reserves, naming the amounts carried in the balance sheet as of December 31, 2023, reasonable for these obligations, in accordance with accepted actuarial standards, and within the requirements of the Florida insurance laws.

The Office consulting actuary, Katie Koch, FCAS, MAAA, of Lewis & Ellis, Inc., reviewed the loss and loss adjustment expense work papers provided by the Company and she was in concurrence with this opinion.

### Capital and Surplus

The amount of capital and surplus reported by the Company of \$296,091,787, exceeded the minimum of \$25,897,461 required by Section 624.408, Florida Statutes.

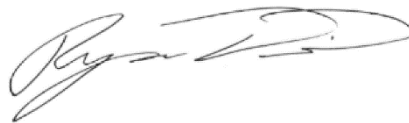
## CONCLUSION

The insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of Commonwealth Land Title Insurance Company as of December 31, 2023, consistent with the insurance laws of the State of Florida.

In addition to the undersigned, the following individuals from Lewis & Ellis, LLC also participated in the examination:

|                        |                                   |                    |
|------------------------|-----------------------------------|--------------------|
| David Palmer, CFE      | Supervising Examiner              | Lewis & Ellis, LLC |
| Neeraj Gupta, CFE      | Participating Examiner            | Lewis & Ellis, LLC |
| Claire Chadick         | Participating Examiner            | Lewis & Ellis, LLC |
| Laura Turnitza         | Participating Examiner            | Lewis & Ellis, LLC |
| Sarah Mayberry         | Participating Examiner            | Lewis & Ellis, LLC |
| Katie Koch, FCAS, MAAA | Actuary                           | Lewis & Ellis, LLC |
| Jenny Jeffers          | Information Technology Supervisor | Jennan Enterprises |
| Joanna Latham          | Information Technology Examiner   | Jennan Enterprises |

Respectfully submitted,



Ryne Davison  
Examiner-in-Charge  
Lewis & Ellis, LLC  
Representing the Florida Office of Insurance Regulation



Chad Mason, PIR  
Chief Financial Examiner  
Property & Casualty/Life & Health Financial Oversight  
Florida Office of Insurance Regulation