



MISSISSIPPI INSURANCE DEPARTMENT

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JACKSON, MISSISSIPPI 39201
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MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
Deputy Commissioner of Insurance

RICKY DAVIS
State Chief Deputy Fire Marshal

June 20, 2023

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Mark B. Higdon, President
Mississippi Valley Title Insurance Company
1022 Highland Colony Parkway
Suite 200
Ridgeland, MS 39157

RE: Report of Examination as of December 31, 2021

Dear Mr. Higdon:

In accordance with Miss. Code Ann. § 83-5-201 et seq. (Rev. 2022), an examination of your Company has been completed. Enclosed herewith is the Order adopting the report and a copy of the final report as adopted.


Pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2022), the Mississippi Department of Insurance shall continue to hold the content of said report as private and confidential for a period of ten (10) days from the date of the Order. After the expiration of the aforementioned 10-day period, the Department will open the report for public inspection.

If you have any questions or comments, please feel free to contact me.

Sincerely,

MIKE CHANEY
COMMISSIONER OF INSURANCE

BY


Christina Kelsey
General Counsel

MC/CK/de
Encls. Order w/exhibit

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF MISSISSIPPI**

**IN RE: REPORT OF EXAMINATION OF
 MISSISSIPPI VALLEY TITLE INSURANCE COMPANY**

CAUSE NO. 23-7807

ORDER

THIS CAUSE came on for consideration before the Commissioner of Insurance of the State of Mississippi ("Commissioner"), or his designated appointee, in the Offices of the Commissioner, 1001 Woolfolk Building, 501 North West Street, 10th Floor, Jackson, Hinds County, Mississippi, pursuant to Miss. Code Ann. § 83-5-201 et seq. (Rev. 2022). The Commissioner, having fully considered and reviewed the Report of Examination together with any submissions or rebuttals and any relevant portions of the examiner's work papers, makes the following findings of fact and conclusions of law, to-wit:

JURISDICTION

I.

That the Commissioner has jurisdiction over this matter pursuant to the provisions of Miss. Code Ann. § 83-5-201 et seq. (Rev. 2022).

II.

That Mississippi Valley Title Insurance Company is a Mississippi-domiciled company licensed to write Title coverage.

FINDINGS OF FACT

III.

That the Commissioner, or his appointee, pursuant to Miss. Code Ann. § 83-5-201 et seq. (Rev. 2022), called for an examination of Mississippi Valley Title Insurance Company and appointed Barry W. Lupus, Examiner-In-Charge, to conduct said examination.

IV.

That on or about May 15, 2023, the draft Report of Examination concerning Mississippi Valley Title Insurance Company for the period of January 1, 2017 through December 31, 2021, was submitted to the Department by the Examiner-In-Charge, Barry W. Lupus.

V.

That on or about May 18, 2023, pursuant to Miss. Code Ann. § 83-5-209(2) (Rev. 2022), the Department forwarded to the Company a copy of the draft report and allowed the Company a 15-day period to submit any rebuttal to the draft report. On or about June 2, 2023, the Company responded by email.

CONCLUSIONS OF LAW

VI.

The Commissioner, pursuant to Miss. Code Ann. § 83-5-209(3) (Rev. 2022), must consider and review the report along with any submissions or rebuttals and all relevant portions of examiner work papers and enter an Order: (1) adopting the Report of Examination as final or with modifications or corrections; (2) rejecting the Report of Examination with directions to reopen; or (3) calling for an investigatory hearing.

IT IS, THEREFORE, ORDERED, after reviewing the revised Report of Examination, the Company's rebuttal, and all relevant examiner work papers, that the revised Report of Examination

of Mississippi Valley Title Insurance Company, attached hereto as Exhibit "A", should be and same is hereby adopted as final.

IT IS FURTHER ORDERED that a copy of the adopted Report of Examination, accompanied with this Order, shall be served upon the Company by certified mail, postage pre-paid, return receipt requested.

IT IS FURTHER ORDERED that the Mississippi Department of Insurance shall continue to hold the content of this report as private and confidential for a period of ten (10) days from the date of this Order, pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2022).

IT IS FURTHER ORDERED, pursuant to Miss. Code Ann. § 83-5-209(4) (Rev. 2022), that within thirty (30) days of the issuance of the adopted report, Mississippi Valley Title Insurance Company shall file affidavits executed by each of its directors stating under oath that they have received a copy of the adopted report and related orders.

IT IS FURTHER ORDERED that Mississippi Valley Title Insurance Company take the necessary actions and implement the necessary procedures to ensure that all recommendations contained in the Report of Examination are properly and promptly complied with.

SO ORDERED, this the 20th day of June 2023.



J. MARK HAIRE
DEPUTY COMMISSIONER OF INSURANCE
STATE OF MISSISSIPPI



CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing Order and a copy of the final Report of Examination, as adopted by the Mississippi Department of Insurance, was sent by certified mail, postage pre-paid, return receipt requested, on this the 27th day of June 2023, to:

**Mr. Mark B. Higdon, President
Mississippi Valley Title Insurance Company
1022 Highland Colony Parkway
Suite 200
Ridgeland, MS 39157**



Christina Kelsey
General Counsel

Christina Kelsey
Senior Attorney
Counsel for the Mississippi Department of Insurance
Post Office Box 79
Jackson, MS 39205-0079
(601) 359-3577
Miss. Bar No. 9853



Mississippi Insurance Department

Report of Examination

of

**MISSISSIPPI VALLEY TITLE INSURANCE
COMPANY**

as of

December 31, 2021

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State of MD,

County of Baltimore,

Barry Lupis, being duly sworn, states as follows:

1. I have authority to represent Mississippi in the examination of Mississippi Valley Title Insurance Company (MVTIC) as of December 31, 20xx.
2. Mississippi is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.
3. I have reviewed the examination work papers and examination report, and the examination of MVTIC was performed in a manner consistent with the standards and procedures required by the National Association of Insurance Commissioners and the Mississippi Insurance Department.

The affiant says nothing further.

[Signature]
Examiner's Signature

Subscribed and sworn before me by Barry Lupis on this 14 day of June, 2023.

(SEAL)

[Signature]
Notary Public

My commission expires May 17 2025 [date].





MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
Deputy Commissioner of
Insurance

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May 17, 2023

Honorable Mike Chaney
Commissioner of Insurance
Mississippi Insurance Department
1001 Woolfolk Building
501 North West Street
Jackson, Mississippi 39201

Dear Commissioner Chaney:

Pursuant to your instructions and authorization and in compliance with statutory provisions, an examination has been conducted, as of December 31, 2021, of the affairs and financial condition of:

MISSISSIPPI VALLEY TITLE INSURANCE COMPANY

1022 Highland Colony Parkway, Suite 200
Ridgeland, MS 39157

License #	NAIC Group #	NAIC #	FEETS#
7700801	150	51004	51004-MS-2021-1

This examination was commenced in accordance with Miss. Code Ann. §83-5-201 et seq. The report of examination is herewith submitted.

SCOPE OF EXAMINATION

We have performed our multi-state and coordinated holding company group examination of Mississippi Valley Title Insurance Company (“Company” or “MVTIC”). The last exam covered the period of January 1, 2015 through December 31, 2016. This examination covers the period of January 1, 2017 through December 31, 2021.

This examination was coordinated with the Pennsylvania Insurance Department and their examination of MVTIC’s ultimate parent, Old Republic International Corporation (“ORI”), for the period from January 1, 2017 to December 31, 2021. The coordinated examination was broken out into three subgroups: General Insurance Subgroup, Title Subgroup, and Mortgage Subgroup. MVTIC is part of the Title Subgroup. The Florida Office of Insurance Regulation was identified as the exam facilitator for the Title Subgroup.

We conducted our examination in accordance with the NAIC *Financial Condition Examiners Handbook* (“Handbook”). The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current 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.

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 Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company’s financial statements.

This examination report includes significant findings of fact and general information about the Company and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

COMMENTS AND RECOMMENDATIONS OF PREVIOUS EXAMINATION

No findings were noted during the Company’s previous examination as of December 31, 2016.

HISTORY OF THE COMPANY

On May 28, 1941, the Company was incorporated under the laws of the State of Mississippi as Mississippi Title Insurance Company, for the purpose of writing title insurance and contracts of guaranty on the stock plan as provided by Section 5164 of the Mississippi Code of 1930.

On July 1, 1955, the Company amended its Articles of Incorporation to change its name to its current title, Mississippi Valley Title Insurance Company, and also defined its purpose, which is to insure owners and others interested in real estate against loss by reason of defective titles, to make abstracts of title searches, furnish information relating to land titles, give certificates as to such titles and to act as an escrow agent in handling real estate transactions.

Effective October 1, 2015, the Company ceased issuing title insurance policies under the joint policy arrangement with its former parent company, Old Republic National Title Insurance Company, Inc. (“ORNTIC”). As of the effective date, all of the agent contracts of the Company were cancelled and those same agents became agents of ORNTIC. A new company, Mississippi Valley Title Services Company (“MVTSC”) was formed and all Company employees became employees of MVTSC. **The Company continues as a licensed title insurer domiciled in Mississippi but is considered dormant.**

MVTIC is a subsidiary of Old Republic Title Insurance Companies, Inc. (“ORTIC”), which is a subsidiary of Old Republic National Title Holding Company (“ORNTHC”). ORNTHC is a wholly owned subsidiary of Old Republic Title Insurance Group, Inc., which is a subsidiary of ORI. On December 14, 2016, the Mississippi Insurance Department (“MID”) approved the contribution of 100% of the common stock of MVTIC, then owned by ORNTIC, to ORTIC effective as of December 23, 2016.

CORPORATE RECORDS

The minutes of the meetings of the Stockholder and Board of Directors (“Board”), taken during the period covered by the examination, were reviewed and appeared to be complete and in order with regard to recording action on matters brought up at these meetings for deliberation, which included the approval and support of the Company’s transactions and events.

MANAGEMENT AND CONTROL

Stockholders

At December 31, 2021, the Company had 1,600 shares of \$1,548.29 par value common stock authorized, of which 323 shares were issued and outstanding. All outstanding shares were owned by ORTIC.

Board of Directors

The Articles of Incorporation and Bylaws vest the management and control of the Company's business affairs with the Board. The members of the duly elected Board, along with their place of residence, year elected/appointed, and principal occupation, at December 31, 2021, were as follows:

Name and Residence	Year Elected/Appointed	Principal Occupation
Mark Byron Higdon Bremen, AL	2003	Title Insurance
Gerard Robert Host Ridgeland, MS	2020	Banking
James Michael Ingram Madison, MS	2003	Real Estate Management
Joseph Walter Michel III Ridgeland, MS	2003	State Legislature
Lawrence Scott Pierce Tampa, FL	2019	Title Insurance
Ronnie Glynn Smith Birmingham, AL	2004	Banking
Stewart Rhymes Speed Jackson, MS	2009	Real Estate Development
Rodney Faser Triplett, Jr. Madison, MS	2013	Real Estate Development

Committees

There are no separate MVTIC Board created committees that provide oversight. ORI provides oversight and fulfills this function. The ORI Board has established four committees: Audit Committee, Compensation Committee, Executive Committee, and Governance and Nominating Committee.

Officers

Name	Title
Mark B. Higdon	Chairman & President
W. Parrish Fortenberry	Executive Vice President- Sr. Claims & Title Counsel & Secretary
J. Morton Matrick	Executive Vice President- Title Counsel
Ivy Anderson	Executive Vice President
Mark A. Bilbrey	Executive Vice President
Mark M. Budzinski	Executive Vice President
Curtis J. Hoffman	Executive Vice President
Cheryl A. Jones	Executive Vice President
Chris G. Lieser	Executive Vice President
Carolyn J. Monroe	Executive Vice President
Dana C. Solms	Executive Vice President
Rande K. Yeager	Executive Vice President
Terry P. Weill	Vice President- State Manager, Mississippi
Robert Bradford Jones	Vice President- Claims Counsel
Gina K. Matthews	Vice President- Alabama Counsel
Michael T. Tarpey	Senior Vice President- Finance/Minneapolis
Ben A. Corbett	Vice President- Treasurer/Minneapolis
Daniel M. Wold	Vice President- General Counsel/Minneapolis
Jeffery Bluhm	Vice President/Minneapolis
Paula Ellison	Assistant Secretary/Minneapolis
Kristen Havisto	Assistant Secretary/Minneapolis

Conflict of Interest

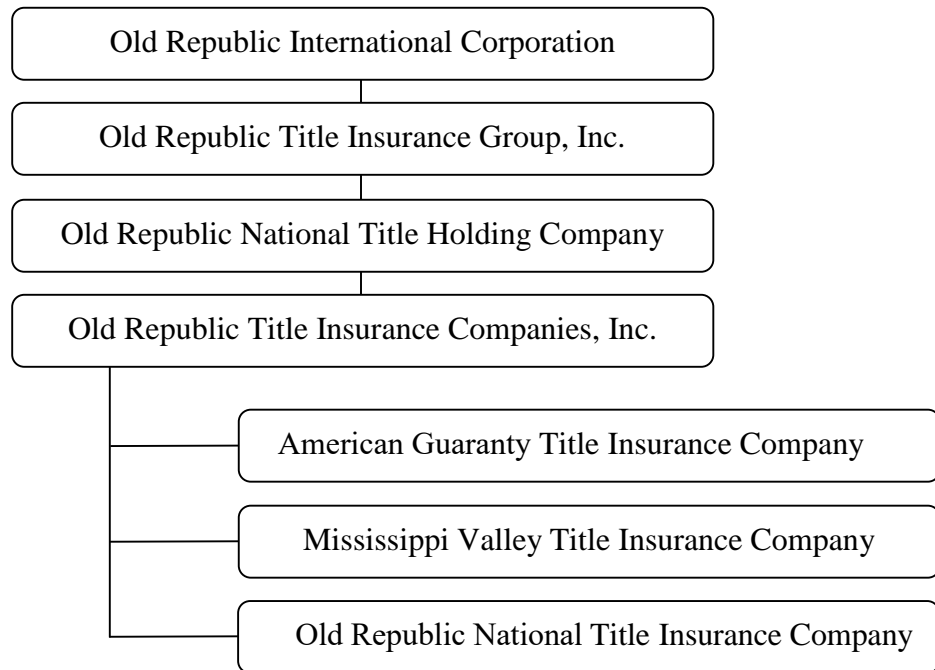
The Company had a formal policy whereby disclosure was made to the Board of any material interest or affiliation on the part of any officer or director that was, or would likely be, a conflict with the official duties of such persons. These procedures were reviewed and no exceptions to the Company's policy were noted.

HOLDING COMPANY STRUCTURE

The Company was a member of an insurance holding company system as defined within Miss. Code Ann. §83-6-1. Holding Company Registration Statements were filed during the examination period with the MID in accordance with Miss. Code Ann. §83-6-5 and §83-6-9. The statements and applicable amendments that were filed with the MID during the examination period were reviewed and it appeared that any changes and material transactions by and between the Company and its affiliates were appropriately disclosed.

Organizational Chart

The following simplified organizational chart of the Title Subgroup displays the direct line of ownership, along with a brief description of each member.



Old Republic International Corporation

This company is a publicly traded Delaware insurance holding company that was organized on March 6, 1969, for the principal business of the management and direct or indirect ownership of various life, property and casualty, mortgage guaranty, surety and title insurance companies and insurance agencies, as well as the management of the corporations' other noninsurance company assets.

Old Republic Title Insurance Group, Inc. (“ORTIG”)

This company is a Delaware corporation that was organized on December 3, 1979, for the principal business of providing title insurance and related real estate transfer services for individuals, businesses and government entities. ORTIG is a wholly-owned subsidiary of ORI.

Old Republic National Title Holding Company (“ORNTHC”)

This company is a Delaware corporation that was organized on December 16, 1981, for the principal business of being an intermediate holding company. ORNTHC is a wholly-owned subsidiary of ORTIG.

Old Republic Title Insurance Companies, Inc. (“ORTIC”)

This company is a Delaware corporation that was organized in 2016 for the principal business of being a mid-stream holding company parent to the Company and its related title insurance companies, ORNTIC and American Guaranty Title Insurance Company.

Mississippi Valley Title Insurance Company (“MVTIC”)

The Company is a Mississippi corporation that was organized on May 28, 1941. MVTIC is a wholly-owned subsidiary of ORTIC.

Affiliated and Related Party Transactions

The Group has several management agreements, service contracts, and cost sharing agreements in place between members of the holding company system. ORNTIC has an agreement with its affiliate, Mississippi Valley Title Services Company (“MVTSC”), under which it pays a fee to manage the former agents of MVTIC (now a dormant insurer). The aggregate amount incurred for these services in in 2021 was \$4,592,479.

TERRITORY AND PLAN OF OPERATION

The Company was authorized to write title insurance in the states of Mississippi, Alabama, and Tennessee. As previously mentioned, effective October 1, 2015, the Company ceased issuing title insurance policies and became dormant.

REINSURANCE

The Company was appointed by ORNTIC as its agent for issuing joint obligation title insurance forms and policies in Alabama, Mississippi and various counties in Tennessee. Effective October 1, 2015, the Company ceased issuing title insurance policies under the joint policy arrangement with its previous parent company ORNTIC. As of the effective date, all of the agent contracts of the Company were cancelled and those same agents became agents of ORNTIC. A new company, MVTSC was formed and all of the employees of the Company became employees of MVTSC on October 1, 2015. The Company is currently dormant but continues as a licensed title insurer in Mississippi.

Also, effective October 1, 2015, the Company entered into an indemnity reinsurance agreement with ORNTIC whereby ORNTIC assumed the obligations created or contained in each and every policy of title insurance and closing protection letter issued. As consideration for the reinsurance agreement, the Company paid ORNTIC \$14,487,742, which represents the amount of known claim reserve and incurred but not reported claims of the Company as of the effective date of the reinsurance agreement.

Mississippi Valley Title Insurance Company
Financial Statements
Examination as of December 31, 2021

Introduction

The following financial statements consist of a Statement of Admitted Assets, Liabilities, Surplus and Other Funds - Statutory at December 31, 2021, a Statement of Income - Statutory for Year Ended December 31, 2021, a Reconciliation of Statutory Capital and Surplus for the Examination Period Ended December 31, 2021, and a Reconciliation of Examination Adjustments to Surplus.

**Statement of Assets, Liabilities, Surplus and Other Funds – Statutory
December 31, 2021**

	Per Company	Examination Adjustments	Per Examination
Bonds	\$565,413	\$0	\$565,413
Common Stocks		0	0
Properties occupied by the company		0	0
Cash, cash equivalents and short-term investments	9,685	0	9,685
Title plants less 0 charged off		0	0
Total Assets	\$575,098	\$0	\$575,098
Known claims reserve	\$0	\$0	\$0
Statutory premium reserve		0	0
Commissions payable, contingent commissions and other similar charges		0	0
Other expenses		0	0
Total Liabilities	\$0	\$0	\$0
Aggregate write-ins for special surplus funds			
Common capital stock	\$500,098	\$0	\$500,098
Gross paid in and contributed surplus	75,000	0	75,000
Unassigned funds (surplus)			0
Surplus as regards policyholders	\$575,098	\$0	\$575,098
Total liabilities, surplus and other funds	\$575,098	\$0	\$575,098

**Statement of Income - Statutory
For the Year Ended December 31, 2021**

Income

Title insurance premiums earned	\$	0
<hr/>		
Total operating income		0

Deductions

Losses and loss adjustment expenses incurred		0
<hr/>		
Total operating deductions		0
<hr/>		
Net operating gain or (loss)		0

Investment Income

Net investment income earned		0
<hr/>		
Net income before all other federal income taxes		0
<hr/>		
Federal and foreign income taxes incurred		0
<hr/>		
Net income	\$	0

**Reconciliation of Capital and Surplus - Statutory
For the Examination Period Ended December 31, 2021**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Capital and Surplus 12/31 prior year	\$575,098	\$575,098	\$575,098	\$575,098	\$575,098
Net Income (Loss)					
Change in net unrealized capital gains					
Change in net deferred income tax					
Change in nonadmitted assets					
Change in provision for reinsurance					
Capital Changes:					
Paid in					
Surplus Adjustments:					
Paid in					
Dividends paid to parent					
Aggregate write-ins for gains and losses in surplus					
Net Change in Capital & Surplus	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital & Surplus at end of year	<u>\$575,098</u>	<u>\$575,098</u>	<u>\$575,098</u>	<u>\$575,098</u>	<u>\$575,098</u>

**Reconciliation of Examination Adjustments to Surplus
December 31, 2021**

As a result of this examination, there have been no changes affecting admitted assets, liabilities, and surplus as regards policyholders balances reported by the Company in the December 31, 2021 annual statement as filed with the MID. The surplus as regards policyholders balance reported by the Company of \$575,098 is accepted as reasonably stated for purposes of the balance sheet per the examination and in compliance with Miss. Code Ann. §83-15-5.

MARKET CONDUCT ACTIVITIES

No market conduct procedures were conducted during the examination.

SUBSEQUENT EVENTS

The examination did not identify any significant subsequent events deemed appropriate for inclusion in the examination report.

COMMENTS AND RECOMMENDATIONS

The examination did not identify any material comments and/or recommendations deemed appropriate for inclusion in the examination report.

ACKNOWLEDGMENT

The examiners representing the Mississippi Insurance Department and participating in this examination were:

Examiner In Charge:



Barry W. Lupus, CFE, CPA, CFE (Fraud)

Department Designee:



Mark Cooley, CFE