

PUBLIC INFORMATIONAL HEARING
BEFORE THE
PENNSYLVANIA INSURANCE DEPARTMENT

Testimony of
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I. Qualifications

My name is Nelson R. Lipshutz. I hold an A.B. degree from the University of Pennsylvania and S.M. and Ph.D. degrees from the University of Chicago in theoretical high energy nuclear physics, and an M.B.A. in finance from the Wharton School of the University of Pennsylvania. Since 1972, I have carried out studies of the title insurance industry throughout the United States. I have designed statistical and financial reporting systems used as the basis for title insurance regulatory review in approximately 25 states, including Delaware, Pennsylvania, New York, and Texas. I have served as a consultant to title insurers in areas including rate analysis, loss reserving, title plant valuation, and mergers and acquisitions. I have taught economics at Northeastern University, and am the author of a textbook on the economics of the title insurance industry. I have presented expert testimony and reports on title insurance to the Insurance Departments of California, Colorado, Delaware, Florida, New Jersey, New Mexico, New York, Pennsylvania, Texas, and Wisconsin; the National Association of Insurance Commissioners; Administrative Law Judges; the Commerce Committee of the Florida Senate; the Insurance Committee of the Michigan House of Representatives; the U.S. Department of Housing and Urban Development; and Federal District Court in North Carolina. My professional history is set forth in more detail in the Appendix.

II. Purpose of Testimony

I am testifying today on behalf of the Title Insurance Rating Bureau of Pennsylvania (henceforth "TIRBOP") to discuss some economic points relevant to the issues listed in the addendum attached to the Notice of Hearing.

III. Issue 1 - The premiums charged by title insurance companies, the commissions or fees paid to or charged by title agents and approved attorneys and the effect such premiums, commissions and fees have on the overall cost to consumers

a. The Price of Title Insurance

In his letter to the Pennsylvania Insurance Department (henceforth “the Department”) requesting the convening of this hearing, the Attorney General (henceforth “the AG”) states that “the Office of Attorney General believes that title insurance rates should be substantially reduced.”

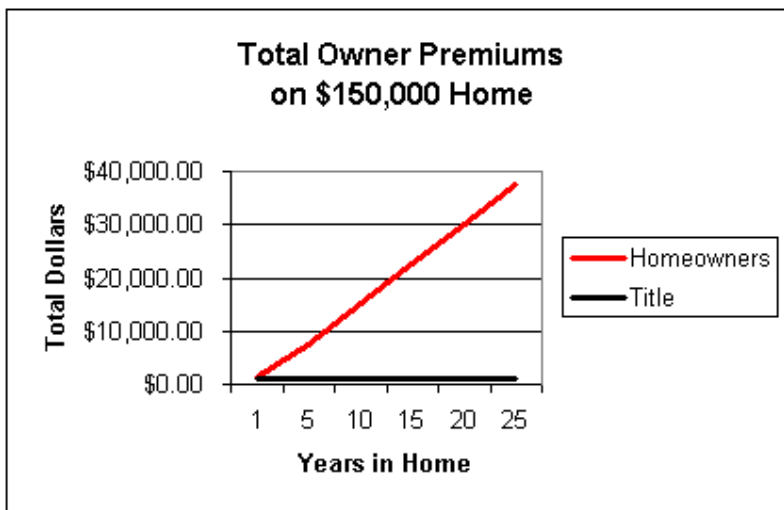
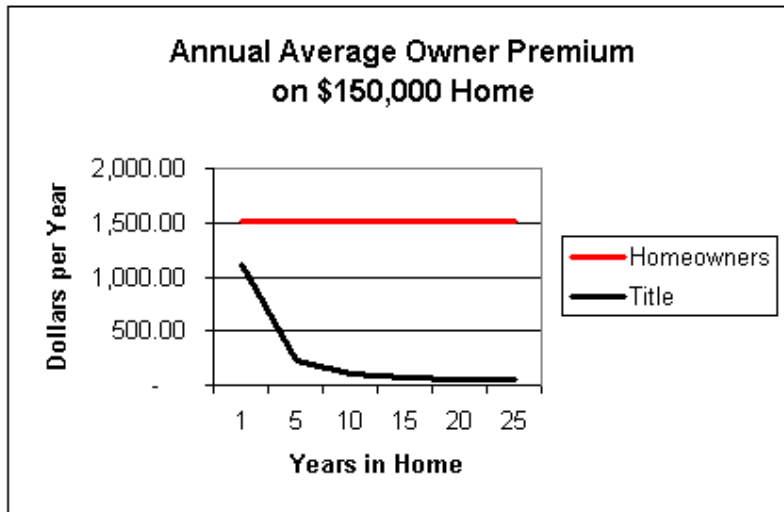
The AG is wrong. None of the data collected by the Department’s annual Statistical Reports would justify such a decrease. In fact, the current data indicate the need for a moderate increase.

It is important to observe that title insurance rates are extremely low compared to rates for other types of insurance that also protect homeowners. The premium for title insurance protecting the owner of a property is paid only once, at the time of acquisition of the property. In contrast, the premium for homeowners insurance is paid every year. This means that the average annual premium for title insurance is much lower than the annual premium for homeowners insurance. For example, the purchaser of a \$150,000 home anywhere in Pennsylvania pays a title insurance premium of \$1,108.75 which covers the owner forever.¹ In contrast, the owner of that same \$150,000 home pays an average annual premium of \$1,506.15 for homeowners insurance in Philadelphia.² ***If the owner remains in the house for 10 years, total payments for homeowners insurance over the period would be \$15,061 which is thirteen and one half times more than the***

¹ Per TIRBOP manual basic rates.

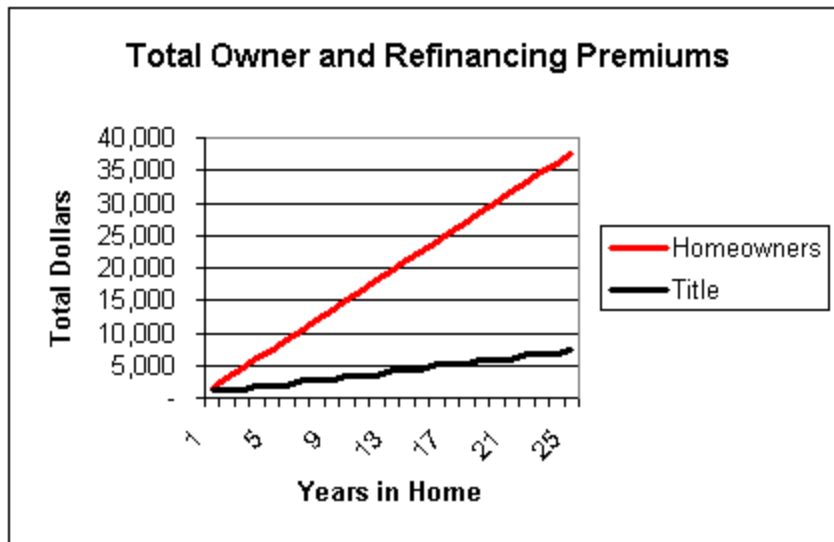
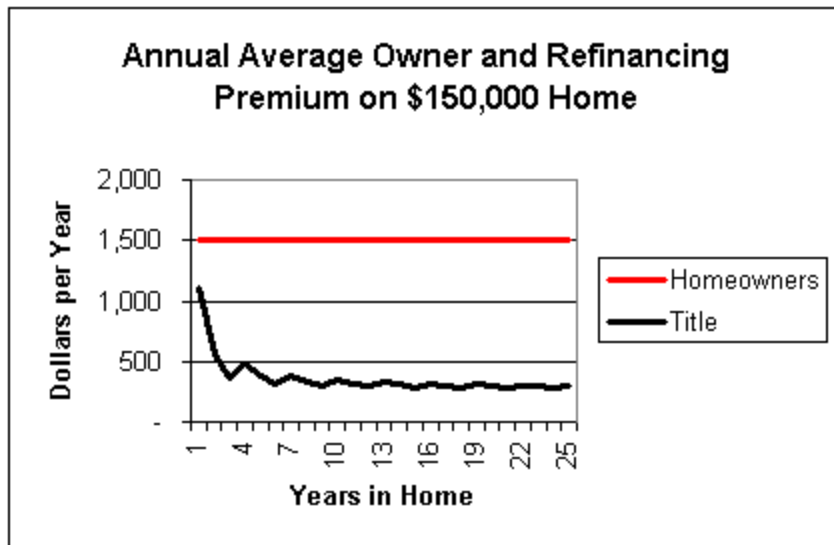
² Average from premium comparison chart on Insurance Department website, http://www.ins.state.pa.us/ins/lib/ins/consumer/brochures/HO_charts_2003.pdf

amount the owner paid for title insurance. The average cost of owner's title insurance is \$110 per year compared to \$1,506 per year for homeowners insurance. The difference is even more striking for longer periods of ownership, as shown on the following figure:



Even when title insurance premiums for loan refinancings are taken into account, title insurance is inexpensive. Current statistics reported by Freddie Mac indicate that the

average time between refinancings is about 3 years.³ Even *including these refinancing premiums, the cost for title insurance over 10 years is \$3,503 which is about one-fourth of the amount the homeowner pays for homeowners insurance. The average cost of title insurance is \$350 per year compared to \$1,506 per year for homeowners insurance, as shown on the following figure:*



³ Freddie Mac First Quarter 2009 Mortgage Refinance Report

b. The Size of Commissions

In his letter to the Department, the AG also states “If commissions were more in line with what others received in the real estate market, i.e. 5% to 6% for real estate sales agents, the Department could dramatically lower rates and increase the profitability of title insurance products.”

The AG is wrong.

The AG’s statements are based on a fundamental misunderstanding of the enormous difference between a title insurance agent and an agent in any property and casualty (henceforth “P&C”) line. The very term “commission” is something of a misnomer, since it is not the sales commission paid in P&C lines.

In P&C lines, the agent’s functions are simply to market the product and to complete an insurance application. In contrast, **THE TITLE INSURANCE AGENT CARRIES OUT ALL THE PRODUCTION FUNCTIONS CARRIED OUT BY BOTH THE AGENT AND THE UNDERWRITER IN P&C LINES.** The table below provides a summary comparison of the activities of title insurance agents with the activities of agents and insurers in P&C lines.

Activity	Subtasks	Title Insurance Agent	P&C Lines Agent	P&C Lines Insurer
Marketing		Yes	Yes	Yes
Underwriting		Yes	No	Yes
	Public Record Search	Yes	NA	NA
	Title Examination	Yes	NA	NA
	Commitment Production	Yes	NA	NA
	Curative Actions	Yes	NA	NA
Policy Production		Yes	No	Yes
	Review marked up commitment	Yes	NA	NA
	Produce final policy schedules	Yes	No	Yes
Closing/Settlement		Yes	NA	NA
	Review lender closing instructions	Yes	NA	NA
	Collect and disburse funds	Yes	NA	NA
Document Recording		Yes	NA	NA

While the Pennsylvania Insurance Department does not routinely collect data on title insurance agents' revenues and expenses, insurance departments in other jurisdictions do. Both Texas and New Mexico collect such data, and the insurance departments in these states also establish the commission percentage which agents are paid based on the results of these annual data calls. In Texas, the commission rate is

85%.⁴ In New Mexico, the commission rate is on a sliding scale, with an 80% commission rate for all transactions with liability of less than \$2 million.⁵

Reducing title insurance commissions to the level of 5% to 6% charged by real estate agents, or even the level of 15% to 25% typical in P&C lines, would not lower title insurance costs. It would just make it impossible to deliver title insurance through an agency system. All the necessary underwriting activities currently carried out by agents would still need to be carried out, but now they would be performed by branch offices of title insurers. The total cost to carry out these activities would not be reduced in any way, which means that premium rates could not be reduced.

In fact, title insurance commissions are no higher than the cost underwriters incur when performing the same functions as agents. The data collected through the Department's Statistical Report show that over the 5-year period 2003-2007 *the average agent's commission per policy is about \$966. The average cost per policy for underwriters to perform the same functions in-house ("direct operations") was \$1,274 which is about 32% larger than the agent's average commission per policy.* The calculations are presented in Exhibit 1. Much of this difference is due to the fact that direct operations tend to insure larger and more complex transactions than the average agent. Overall, the cost to the public of having title underwriting performed by a title agent is no more than the cost of having the same work performed directly by the insurer.

Two studies I previously prepared⁶ examined the issue of title insurance commission levels in detail. These studies were based on special data calls which

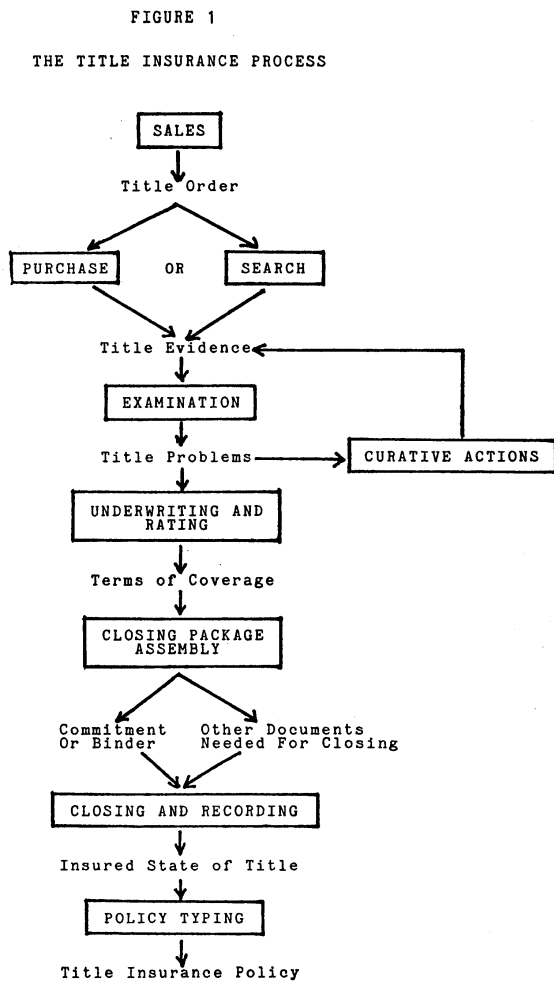
⁴ Texas Title Manual Rule P-23

⁵ New Mexico Statutes Section 13.14.3.11

⁶ "The Relationship Between Title Insurance Agency Operating Costs and the Level of Title Insurance Agency Commission Rates in Pennsylvania," Regulatory Research Corporation, September, 1984 and

collected data on title insurers' and title insurance agents' revenues and expenses. Both studies demonstrate unambiguously that title insurance commission percentages in Pennsylvania are thoroughly justified by the costs of the work that title insurance agents must perform.

While there have been changes in the absolute level of costs since 1984, the basic title search, examination, policy production, closing, and recording processes continue to be performed. The process is depicted in the figure below drawn from the 1984 report:



"Functional Costs and Profits of the Pennsylvania Title Insurance Industry," Regulatory Research Corporation, December 15, 1993

Because the process has not changed, the qualitative results of the studies are still valid today.

1. The 1984 Study

The 1984 study data was obtained through a series of field interviews with agents of various sizes in several regions of Pennsylvania. The study constructed financial models of agency operations based on regression models of employee requirements versus order volume, on the cost of purchased searches, on prevailing salaries and fringe benefit costs for each of the primary job functions within a title agency operation, and on the costs for other necessary expenditures including office rental and general administration.

The study concluded:

“In summary, our analysis shows that current commission rate levels have not produced extraordinary title insurance agency profitability in the past, and are not likely to produce extraordinary profits in the foreseeable future. While economies of scale may enable some of the largest title insurance agents to earn somewhat more than property-liability agents in years of ebullient demand when they can operate at full capacity, the volatility of the title insurance market requires such an additional return to compensate title insurance agency owners for the very high risk of operating losses during low demand periods. Further, it is clear that for the great bulk of small to medium-sized title insurance agents, the level of profitability is about the same as that of other property-liability lines. Any substantial decline in commission rates would eliminate many of these small to medium-sized agencies from the title insurance business. Since the local markets which these agents serve are too small to support a large agency that can achieve full economies of scale, it is difficult to see how consumers in these areas would obtain needed title insurance services.”

2. The 1993 Study

The 1993 study was mandated by the Department, and was based on data collected from a stratified random sample of 108 agents. Both the data collection

instruments and the statistical sampling plan were reviewed and approved by the Department.

The 1993 study concludes:

“The objective of any study of the functional costs and profits of the Pennsylvania title insurance industry is to determine whether the level of title insurance rates meets the statutory criteria of adequacy and non-excessiveness. The present study indicates that, *overall*, the present level of title insurance rates is *inadequate* to defray the costs of producing the title insurance product, and indicates further that the level of costs being incurred is reasonable.”

IV. Issue 2 - The cost to title insurance companies to insure against defects in title and the cost to title insurers or agents to perform the necessary title searches, to prepare a title abstract, to clear defects in title and to perform a real estate closing

a. Insurer Loss Costs

At the threshold, it is important to realize that title insurance losses are supposed to be small. My textbook on title insurance⁷ explains the situation as follows:

“In all lines except title insurance, the risks insured are grounded in the uncertainty of the future, whether that risk is of a future fire, windstorm, industrial accident, flood, or famine. Title insurance is unique in that it insures against ignorance of the past, i.e., whether some unknown past event has clouded the ownership interest or lien interest in a parcel of real property that the insured believes to exist when the title insurance policy is issued.

The nature of the risks insured has a determinative effect on the nature of an insurer's cost structure. Because the future is unknown and unknowable, the insurer's function in most P&C lines is primarily to pay inevitable losses, and only secondarily to reduce the level of risk by paying for an underwriting process. The loss dog wags the expense tail.

In contrast, the title insurer's function is primarily to prevent loss by reducing the insured's ignorance of the state of title to the lowest possible level, and only secondarily to pay losses when some element of ignorance has not been eliminated. Dog and tail are interchanged compared to all other lines.”

⁷ Lipshutz, Nelson R., “The Regulatory Economics of Title Insurance, Westport, Praeger, 1994, pp. 1-2

Title insurance losses as reported in Pennsylvania have averaged about 3% of gross premium. However, these reported losses do not include the increase in the reserve for losses incurred but not reported which are included in reported losses for all lines of P&C insurance. When the increase in these reserves is included, incurred losses in Pennsylvania averaged 5.5% of premium since 1982.⁸

Even this correction still seriously understates the cost to insurers, because much of insurer *loss prevention* expense (the bulk of the cost defrayed by the premium) is incurred in the form of agency commissions. *The premiums which the insurers actually receive amount to only 30% of total premiums charged.⁹ However, insurers pay ALL of the losses.* This means that *the loss ratio that the insurer experiences is over three times larger than the overall loss ratio, or about 18% of premium.*

The only other line of insurance heavily focused on loss-prevention is boiler and machinery insurance. As is the case with title insurance, the loss ratio experienced by boiler and machinery insurance is substantially lower than the loss ratio in most P&C lines. In 2008, the dominant company in boiler insurance, Hartford Steam Boiler and Machinery Insurance Company (HSB), had a loss ratio of only 46.9%, far less than the ratio in other P&C lines.¹⁰

b. The Costs of Title Production and of Conducting Settlements

The Department's annual title insurance statistical report collects separate data on the operating costs of insurer direct operations,¹¹ which are directly comparable to agents (see Issue 1 Section b above). The average production cost per policy of a direct

⁸ Based on data in TIRBOP rate increase filing justification Table 13

⁹ Ibid., Table 13, column [7] less column [1] divided by column [7], 20-year average line

¹⁰ HSB 2008 Annual Statement Form 2

¹¹ Statistical Report page 17, "Profitability Analysis"

operation in 2007 (**excluding administrative overhead**) was \$950. This cost covers order entry, title search, title examination, and policy production. The average cost per settlement was \$217. Administrative overhead per policy was \$355.

c. Correcting the Public Record

Reducing title insurance rates to a level that did not fund title insurance loss prevention activities would result in an explosion of title losses. Data compiled by the American Land Title Association (ALTA)¹² show that about 36% of all real estate transactions require the correction of serious title defects. Absent the detection and correction of these defects, title problems would increase greatly, with severe economic consequences. It would be poor public policy to increase the number of people losing their homes. Current experience with the consequences of home loss through foreclosure is less than enough.

V. Issue 3 - The differences between a policy issued upon the sale of a home versus the refinancing of a home loan and how this should be reflected in the rating structure

In the past, title insurers regarded the loss prevention and underwriting work required to insure a refinance home loan to be a substantially simpler task than the loss prevention and underwriting work required to insure a home sale. This is no longer the case.¹³ The ALTA study cited in the preceding paragraph indicates that the fraction of orders requiring curative actions for residential re-sales is virtually identical to the fraction for re-financings (i.e., 26% vs. 25%). Because of these changes, a rate distinction between sale and refinance transactions is no longer appropriate.

¹² ALTA Abstracter and Title Agent Operations Study 2005

¹³ For a detailed discussion, cf. rate manual simplification filing, Section II

In summary, the three primary reasons that refinance transactions now present as much difficulty as home sales transactions are:

a. Acceleration in the frequency with which homes are sold and refinanced.

The intervals between property sales and loan refinancings are both declining. In consequence, more and more transactions are occurring for each real property parcel, and the public record is becoming ever more complex. A relatively short search period today involves the examination of as many transactions as previously characterized the entire history of a property.

b. The increase in the incidence of mortgage fraud.

It was once true that an examined transaction was a closed book, in the sense that everything that can be known about the transaction had been determined. That is no longer the case. Real estate fraud has a material impact on the expense of search and examination. Often, a fraud does not come to light until well after a particular transaction has been examined. Therefore, a title searcher and examiner cannot blithely ignore all events prior to the date at which a prior policy was issued, because additional problems with older transactions may well have surfaced. Such problems with prior transactions must be resolved before a new policy can be issued, and this resolution requires substantial time and effort. This curative work generates an expense in addition to the payment of title losses.

In his letter, the AG asserts that mortgage fraud has no impact on title insurance losses, because mortgage fraud does not affect the state of title.

The AG is wrong.

Mortgage fraud is one of the major causes of title insurance losses because *title insurers do not only insure ownership interests in property*. In fact, **a very large fraction of the title insurance business is insuring the validity and priority of mortgage lien interests**. The protection of mortgage lien interests directly benefits the property owner, by allowing the lender to charge a lower interest rate. Mortgage fraud has a direct deleterious impact on mortgage lien validity and priority.

The AG sets forth the information in Table 13 of the FBI Mortgage Fraud Report as evidence that title losses are not affected by mortgage fraud. This conclusion is incorrect. In fact, in two of the markets (Minneapolis and St. Paul) listed in Table 13, social security number fraud is cited. The use of a false SSN, or any other false identity document, does not merely expose the lender to the risk of loss because of mortgage default. It also exposes the title insurer to the risk that there has been a fraudulent conveyance which renders the mortgage invalid.

Mortgage fraud does not consist solely in faking credit history to qualify for a loan to buy a home. The AG quotes the statement from the report that “Fraud for property/housing entails misrepresentation by the applicant for the purpose of purchasing a property for a primary residence. This scheme usually involves a single loan. Although applicants may embellish income and conceal debt, their intent is to repay the loan.” There is a lot more to the fraud story.

Mortgage fraud is a business. More relevant than Table 13 is Figure 16 of the FBI report, which describes a common property flipping scheme. In such a scheme, the sale to the straw buyer at an inflated price can violate the Truth In Lending Act and void the

mortgage or violate the terms of a lender's closing instructions and trigger liability under an insured closing letter, exposing the title insurer to a loss.

A similar scenario is described in the FBI report under "Foreclosure Rescue Scams," in which forged deeds are used to obtain mortgage loans. Because of the forgery, the mortgage may be invalid and the title insurer is once again on the hook. Further, if title insurance is issued on a sale of the property which occurred before the fraud is detected, the new innocent purchaser has an invalid title and a title claim is triggered.

Identity theft is a major source of title losses. Property can be used for collateral for a loan without the true owner's knowledge, and result in an invalid mortgage lien which has been insured by the title insurer. In fact, property can even be sold without the true owner's knowledge, resulting in an innocent insured new "owner" finding that their title is invalid, producing a title insurance loss.

Another significant source of title losses is fraud in which the criminal takes out simultaneous "first mortgage" loans on the same property from different financial institutions. All the insured loans cannot be first liens, and the title insurer again experiences a loss (perhaps many losses) when the mortgages default.

Fraud not only increases loss payments; it also increases loss adjustment expenses, which in title insurance are as large an expense as losses paid. The title insurer's obligation under the title insurance policy includes defending the ownership or lien position of the insured. Defending fraud-related claims, even if they are ultimately found by the courts not to be covered by the title policy, is an expensive process.

Fraud also increases the difficulty and expense of the title search and examination process. As the public record becomes cluttered with ever more documents generated in fraudulent transactions, sifting valid from invalid interests becomes more onerous.

c. The explosion in the number of foreclosures.

Presently, about 1 in 1343 Pennsylvania homes is in foreclosure.¹⁴ The increase in foreclosures has a severe impact on the risk presented in insuring a transaction on a previously foreclosed property, as well as on the time and expense involved in examining real property titles. The foreclosure process is complicated, and new Federal programs initiated in the wake of the credit crunch render it much more difficult to determine the actual lien position of a lender, or the true ownership status of a purchaser.

VI. Issue 4 - The reasonable rate of return for title insurance companies under current economic conditions

Title insurance rates in Pennsylvania are set based on a statutory accounting pre-tax profit allowance of 5% of premium.¹⁵ Over the past five years, this allowance has produced an after-tax statutory rate of return on surplus (adjusted to include non-admitted assets), including both underwriting and investment income, of 11%. Over the same period, P&C companies as a whole experienced an annual average after-tax return on equity of 13%. These results are summarized in Exhibit 2. The rate of return on equity earned by Pennsylvania title insurers under the current profit allowance is clearly non-excessive, and is below the average return earned in P&C lines.

¹⁴ RealtyTrac October 2008 Pennsylvania Market Report

¹⁵ Pursuant to a stipulation entered into by TIRBOP and the Department in 1998.

Adequate profitability is a key tenet of regulatory policy, particularly for financial institutions. This economic necessity is recognized in the Pennsylvania statute governing title insurance ratemaking¹⁶ as:

“In ascertaining what is a reasonable profit after payment of all taxes on such income, the commissioner shall give due consideration to the following matters:

- (1) The average rates of profit after payment of taxes on all income earned by other industry generally;
- (2) The desirability for stability of rate structure;
- (3) The necessity of insuring through growth in assets in times of high business activity, the financial solvency of title insurance companies in times of economic depression; and
- (4) The necessity for earning sufficient dividends on the stock of title insurance companies to induce capital to be invested in title insurance companies”

The final point, the need to keep capital invested in the title insurance business, is central to the determination of the required profit.

The rate of return on investment is universally recognized as the appropriate measure for the comparison of the relative profitability of different businesses and industries. Economic theory demonstrates that investors will only invest in an industry if the profits it offers are commensurate with the financial risk that the investor assumes. The best measure of financial risk is the volatility of the rate of return. The analysis presented in Exhibit 2 shows that the rate of return on investment earned by P&C insurers varied over a range from 10.5% to 15.7% over the five-year period 2003-2007. In contrast, over the same period the rate of return of Pennsylvania title insurers varied from +48% to -19%. Yet, the average rate of return of Pennsylvania title insurers is 11%, less than the average return of 13% of P&C insurers. The Pennsylvania title insurance industry is clearly earning less than adequate profits under current rates.

¹⁶ Title 40 P.S. Insurance, Chapter 2. Insurance Companies, Article VII. Title Insurance Companies, § 910-39. Making of rates

VII. Issue 5 - The impact of the current real estate market on the solvency of title insurance companies and the possible impact on consumers given the absence of guarantee fund coverage

The current instability in the financial markets has excited renewed concerns about insurer solvency. The difficulties of AIG, the world's largest P&C holding company, are well known. Further, in title insurance in particular, the third largest title insurance holding company entered bankruptcy proceedings on November 26, 2008.¹⁷

The financial problems for most P&C companies have been confined to the holding company level, and have primarily been caused by unwise trading in complex financial instruments. The individual insurers owned by the holding companies remained financially solid, primarily as a consequence of ongoing strict regulatory oversight which prevents all insurers from engaging in risky speculation.

The LandAmerica insolvency also occurred at the holding company level. However, in this case, the potential insolvency problem also affected the insurer subsidiaries themselves. The primary insurer subsidiaries, Commonwealth Land Title Insurance Company and Lawyers Title Insurance Corporation, were ordered into rehabilitation in November 2008.¹⁸ As a condition of purchase of these companies by Fidelity National Financial Corporation, the acquirer was required to contribute \$157 million in additional capital to the companies to preserve their solvency.¹⁹

The title insurer stresses were not due to speculative investing. Title insurers are subject to the same type of investment restrictions as are imposed on P&C insurers, and

¹⁷

<http://www.reuters.com/article/businessNews/idUSTRE4AP1W420081126?feedType=RSS&feedName=businessNews>

¹⁸ Nebraska Department of Insurance Orders dated November 26, 2008

¹⁹ Nebraska Department of Insurance Order dated December 15, 2008, page 4. The final purchase and sale agreement provided for an even larger capital injection of \$204 million.

so speculative investment risks are not significant. However, title insurers are subject to another even more serious risk. *Title insurers have substantial fixed costs, and so experience sharp declines in profit when premium volumes decline. Pennsylvania title insurance premiums in the fourth quarter of 2008 were 40% lower than premiums in the fourth quarter of 2007.*²⁰ (A title insurer insolvency occurred in Texas in 1989 after a similar precipitous drop in title insurance revenues. See below.) This sharp decline in premium volume will exacerbate the industry's national loss from underwriting operations, which was \$154 million in 2007.²¹

Ultimately, the only guarantee of insurer solvency is insurer profitability. Unprofitable companies fail.

Despite strict regulatory oversight, title insurer insolvencies do occur. Since 1969, four title insurers became insolvent - two companies in Florida, one in Texas, and one in Ohio.²² The Florida Insurance Guaranty Fund and the Ohio guaranty fund both exclude title insurance, so the Florida and Ohio insolvencies were handled through the standard rehabilitation/liquidation procedure. While almost all state guarantee funds exclude title insurance, New Mexico and Texas do not.²³ The Texas Title Insurance Guaranty Association covered the insolvency of USLife Title Insurance Company of Dallas in 1989.

²⁰ Based on composite Form 9 Schedule T data posted on the ALTA website <http://www.alta.org/industry/financial.cfm>

²¹ 2007 Pennsylvania Statistical Report composite

²² Peninsular Title Insurance Company and Owners Title Insurance Company in Florida; USLife Title Insurance Company of Dallas in Texas; and Guarantee Title and Trust in Ohio.

²³ New Mexico Statutes 59A-30A-2; Texas Statutes Chapter 2602

VIII. Issue 6 - Whether current economic trends and changes in the financial services market create opportunities for new efficiencies

Title insurer and agent operating efficiencies are constantly improving. In addition to the continued adoption of improved data processing software and hardware as it is introduced, there are two primary factors causing increased efficiencies.

The first factor is increasing register of deeds and courthouse automation. For example, in May of 2008 Bucks County began accepting documents for recording electronically.²⁴ Similarly, the Philadelphia Court of Common Pleas accepts the filing of documents electronically.²⁵ Unfortunately, relatively few counties record documents electronically. The Public Records Industry Association reports that only 12 Pennsylvania counties out of a total of 67 record electronically (Allegheny, Bradford, Bucks, Centre, Chester, Lancaster, Lebanon, Luzerne, Monroe, Montgomery, Northampton, and Philadelphia).²⁶

The second factor is the introduction of web-based commitment and policy generation. A number of major title insurers now have systems in place by which agents can enter the results of title searches and examinations on the insurer's website and then download completed forms.²⁷

As these systems proliferate, title insurer efficiency in conducting equivalent activities can be expected to continue to improve. However, it is important to recognize that the number of activities that title insurers perform has been increasing and is likely to

²⁴ National Association of County Recorders, Election Officials, and Clerks press release, May 28, 2008

²⁵ See Philadelphia Courts website <http://courts.phila.gov/e-filingfaq.html>

²⁶ <http://www.pria.us/CommitteeDocs/eRecordingCounties.xls>

²⁷ For example, First American Financial's FastWeb system described at <http://www.firstam.com/content.cfm?id=6946>

continue to increase, as progressively more of the assembly of closing packages moves from the lender to the closing title agent.

Increased efficiency will be reflected more in improved response times than in decreased costs. It has become commonplace to allege that title insurance search and examination now involves merely pressing a button on a computer terminal, and so must be almost costless. This conclusion leaves out one crucial consideration: *the enormous cost of the button.*

Further, search costs are not the only costs that title insurers and agents need to incur. One of the most important is title examination, i.e., the review of documents discovered in the search to ascertain their impact on the state of title or lien priority. Title examination is a personnel-intensive activity. To my knowledge, no automated system has been successfully implemented which can carry out a complete examination adequate for the production of a final title insurance policy.²⁸

IX. The Additional Public Benefits of Title Insurance

Title insurance protects property owners and mortgage lenders from the direct impacts of title defects. But the title insurance process does a great deal more.²⁹ On a national basis:

Title Insurance saves home buyers and businesses \$20 billion per year in extra interest expense by making real estate sales and refinancing transactions close faster.

Title insurers are responsible for collecting \$3.3 billion in delinquent real estate taxes every year.

²⁸ For example, the leading automated title search examination firm indicates that it can conduct only a *preliminary* examination. See NextACE press release February 17, 2009

²⁹ Nelson R. Lipshutz, "Title Insurance - Consumer and Public Benefits," American Land Title Association 2009

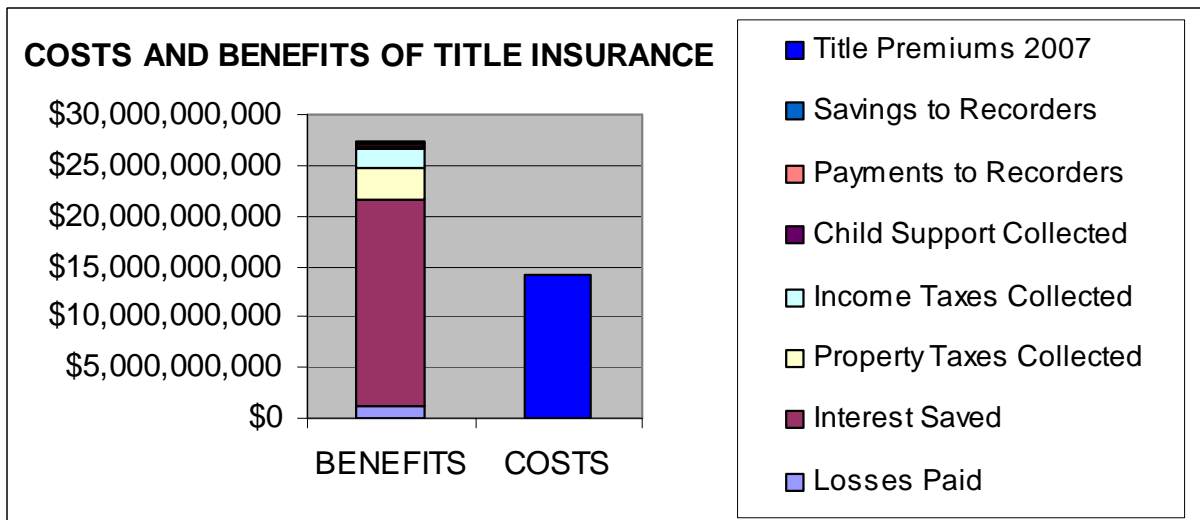
Title insurers are responsible for collecting \$2 billion in delinquent Federal income taxes every year.

Title insurers pay for 17% of the expenses of recorders of deeds.

Title insurers reduce recorder of deeds operating expenses by 22%.

Title insurers are responsible for collecting 5% of all delinquent child support payments.

Overall, title insurance provides benefits to the public which are almost twice as great as its cost, as summarized in the chart below:



EXHIBITS

EXHIBIT 1

COMPARISON OF AVERAGE COMMISSION WITH AVERAGE TITLE POLICY PRODUCTION COST

AGENCY WRITTEN POLICIES

	[1]	[2]	[3]=[2]/[1]	[4]	[5]=[4]/[1]
Year	Agency Policies Excluding SI's	Commissions	Commission per Policy	Liability Excluding SI's	Liability per Policy
2003	579,625	508,151,251	877	89,683,217,699	154,726
2004	496,222	489,122,920	986	88,576,311,788	178,501
2005	464,672	480,268,322	1,034	89,630,533,229	192,890
2006	514,523	457,558,212	889	69,822,218,730	135,703
2007	395,635	413,807,693	1,046	53,553,875,829	135,362
Average			966		159,436

DIRECT OPERATIONS WRITTEN POLICIES

	[6]	[7]	[8]=[7]/[6]	[9]	[10]=[9]/[6]
Year	Direct Operations Policies Excluding SI's	Direct Operations Expenses	Total Production Expense per Policy	Liability Excluding SI's	Liability per Policy
2003	31,801	32,713,093	1,029	31,133,715,485	979,022
2004	27,643	33,300,949	1,205	20,844,887,083	754,063
2005	32,973	39,281,699	1,191	20,201,985,639	612,679
2006	31,366	44,658,143	1,424	14,151,994,748	451,189
2007	39,674	60,385,391	1,522	12,950,488,118	326,419
Average			1,274		624,675

SOURCES:

- [1] Statistical Report Page 8, line 58
- [2] Statistical Report Page 28, line 8
- [3] =[2]/[1]
- [4] Statistical Report Page 8, line 59
- [5] =[4]/[1]
- [6] Statistical Report Page 4, line 58
- [7] Statistical Report Page 17, sum of lines 6, 7 and 8
- [8] =[7]/[6]
- [9] Statistical Report Page 4, line 59
- [10] =[9]/[6]

EXHIBIT 2

COMPARISON OF PENNSYLVANIA TITLE INSURER RATES OF RETURN ON EQUITY WITH P&C INSURER RATES OF RETURN ON EQUITY

	2003	2004	2005	2006	2007	
[1] Net Pre-tax Underwriting Income	63,590,080	30,117,912	7,933,542	666,521	-31,004,643	
[2] Net Pre-tax Investment Income (excluding unrealized capital gains)	16,525,192	9,854,463	16,412,482	14,844,633	13,846,726	
[3]=0.65x[1] Net After-tax Underwriting Income (35% tax rate)	41,333,552	19,576,643	5,156,802	433,239	-20,153,018	
[4]=0.75x[2] Net After-tax Investment Income (excluding unrealized capital gains) (25% tax rate)	31,000,164	14,682,482	3,867,602	324,929	-15,114,763	
[5]=[3]+[4] Total After-tax Income	72,333,715	34,259,125	9,024,404	758,168	-35,267,781	
[6] Net Worth (adjusted for non-admitted assets)	164,752,078	157,237,226	180,486,822	181,323,841	182,247,713	
[7] Average Net Worth	149,609,014	160,994,652	168,862,024	180,905,331	181,785,777	
[8]=[5]/[7] Pennsylvania Title Insurer Rate of Return	48.35%	21.28%	5.34%	0.42%	-19.40%	5-year average 11%
[9] P&C Insurer Rate of Return	10.50%	12.14%	12.38%	14.70%	15.66%	13%

SOURCES:

- [1] and [2] Pennsylvania Statistical Report page 28
- [3] =0.65x[1]
- [4] =0.75x[2]
- [5] =[3]+[4]
- [6] Pennsylvania Statistical Report page 29
- [7] Average of beginning of year and end of year values. 2003 beginning of year value is 134,465,950
- [8] =[5]/[7]
- [9] Value Line Investment Survey

APPENDIX

NELSON R. LIPSHUTZ

24 Radcliff Road
Waban, MA 02468-2222

Telephone: (617) 964-6940

Fax: (617) 964-0426

E-mail: nlipshutz@rcn.com

EDUCATION:

M.B.A. (1972), WHARTON SCHOOL, UNIVERSITY OF PENNSYLVANIA. Concentration in Business Finance. Graduated first in class. Elected to Beta Gamma Sigma (general academic honors).

Ph.D. (1967) and S.M. (1963), UNIVERSITY OF CHICAGO. Concentration in theoretical high energy nuclear physics. National Science Foundation Cooperative Graduate Fellow. Elected to Sigma Xi (scientific research).

A.B (1962), COLLEGE OF ARTS AND SCIENCES, UNIVERSITY OF PENNSYLVANIA. Major in Physics. General Honors Program. Mayor's Scholar. John L. Haney Scholar. Elected to Pi Mu Epsilon (mathematics) and Sigma Tau Sigma (tutoring).

EMPLOYMENT:

AUGUST 1977 TO PRESENT: President, Regulatory Research Corporation.

AUGUST 1972 TO AUGUST 1977: Senior Consultant in Regulation and Economics, Arthur D. Little, Inc.

AUGUST 1970 TO AUGUST 1972: Management Research Analyst and Member, Board of Directors, Management and Behavioral Science Center, Wharton School, University of Pennsylvania.

SEPTEMBER 1967 TO AUGUST 1970: Instructor/Research Associate (1967-69) and Assistant Professor (1969-70), Department of Physics, Duke University.

JANUARY 1967 TO SEPTEMBER 1967: Atomic Energy Commission Postdoctoral Research Associate, Enrico Fermi Institute for Nuclear Studies, University of Chicago.

PROFESSIONAL:

SPRING 1986: Instructor, College of Business Administration, Northeastern University.

1993: Coordinator, industry and consumer advisors to Title Insurance Working Group of the National Association of Insurance Commissioners.

CIVIC: President, Waban Improvement Society, 1992-93.

BOOK: *The Regulatory Economics of Title Insurance*, Praeger Publishers (1994)

EXPERIENCE:

Dr. Lipshutz has carried out assignments applying the techniques of economics, finance, statistics, accounting, actuarial science and operations research for a wide variety of private and public sector clients. Some major assignments in a variety of areas are described on the following pages.

Title Insurance

- o He has designed and implemented statistical and financial reporting systems adopted as the basis for title insurance rate review by the Insurance Departments of California, Colorado, Delaware, Florida, Nebraska, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Tennessee, Texas and Wisconsin. He has served as the statistical agent for title insurance rating bureaus in Louisiana, New Jersey, New York, North Carolina, and Pennsylvania, collecting and compiling industry-wide data and preparing economic and statistical justifications for rate filings. He has presented expert testimony on the economics of the title insurance industry before the Insurance Departments of Colorado, Florida, New Mexico, Pennsylvania, Texas and Wisconsin, before committees of the California Senate, the Florida Senate, the Texas Senate, and the Michigan House of Representatives, before the U.S. Department of Housing and Urban Development, before a Federal District Court, and before the National Association of Insurance Commissioners.
- o He served as the Coordinator of the industry expert panel which advised the National Association of Insurance Commissioners in re-drafting model legislation for the regulation of the title insurance industry in the United States.
- o He served as a member of the State Page Subcommittee of the Title Insurance Working Group of the National Association of Insurance Commissioners in designing a new page and a new set of rate type classifications for Schedule T of the Annual Statement blank (Form 9).
- o He advised the Insurance Department of the State of New Jersey in resolving a dispute over the appropriate statutory carrying value for the title plants owned by a title insurance company.
- o He acted as the intermediary in the sale of three title insurance underwriting companies, in two cases on behalf of the seller, and in one case on behalf of the buyer.
- o He acted as the intermediary in the sale of numerous title insurance agencies companies on behalf of the buyer.

- o He carried out evaluations of title insurers and agents for clients on both the selling and buying sides of acquisition transactions, at stages ranging from selection of acquisition candidates through due diligence investigations.
- o He carried out valuations of title plants owned by various title insurers and agents for purposes including establishing purchase accounting adjustments subsequent to acquisitions, establishing a carrying value on the statutory annual statement acceptable to regulatory authorities, and determining the reasonableness of an acquisition price.
- o He carried out studies of the profitability of the title insurance agency sector in Florida and in Pennsylvania, including design of data collection instruments, development of stratified random sampling plans, collection and processing of data, and presentation of study results.
- o He carried out a study of the potential impact on the title insurance industry of a proposed change in the tax treatment of statutory premium reserves, and presented the results of this study to the U.S. Internal Revenue Service.
- o He carried out an analysis of the potential impacts on the solvency of the title insurance industry of an enforcement action under consideration by the Federal Trade Commission, and made an oral presentation based on this analysis to each FTC Commissioner.
- o He carried out a study of the comparative profitability of the title insurance and mortgage insurance industries for a diversified holding company.
- o He developed estimates of the economic damage to a title insurance agency produced by failure of a computer system to meet design specifications, and presented deposition testimony on the results of this work in connection with a breach of contract suit in the U.S. District Court for the Southern District of Texas, Houston Division.
- o He served as a consultant to various title insurance companies in developing methods for the estimation of reserve requirements for incurred but not reported (IBNR) losses.
- o He served as a consultant to the Board of Directors of a diversified financial holding company in projecting the market potentials for title insurance in various geographic areas.

Economic Impacts of Regulations

- o He carried out several studies on behalf of the U.S. Consumer Product Safety Commission on the economic impacts on consumers and manufacturers of proposed bans on the sale of various asbestos-containing consumer products.

- o He served as chief economist on a study on behalf of the U.S. Environmental Protection Agency of the impact of water and air pollution regulations on prices, output, and capital financing requirements in the U.S. pulp and paper industry, and presented invited testimony on the results of this research to the President's Council on Wage and Price Stability.
- o He served as chief financial analyst on a study of the solvency prospects of the private mortgage insurance industry carried out on behalf of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the U.S. Department of Housing and Urban Development.
- o He carried out a study on behalf of a coalition of automotive aftermarket industry trade associations of the prospective economic impact on the automotive service industry of proposed warranty provisions in the Clean Air Act.

Valuation of Businesses, Intangibles and Intellectual Property

- o He developed measures of the economic value of rights to use proprietary data on the safety and efficacy of pesticides to register commercial pesticide products with the U.S. Environmental Protection Agency. He presented expert testimony on the results of this work before the EPA Administrative Law Judge at the first hearing on mandatory licensing of such data pursuant to Section 3(c)(1)(D) of the Federal Insecticide, Fungicide and Rodenticide Act, as amended. He subsequently presented expert testimony on this topic before two American Arbitration Association panels, and advised private clients on structuring data licensing agreements.
- o He carried out analyses at the request of counsel to various private companies of the economic impacts of the importation into the U.S. of paint spray pumps, cardiac pacemakers, and combination laser cutter-punch press machine tools which violated U.S. patents in connection with various investigations by the U. S. International Trade Commission pursuant to Section 337 of the Tariff Act of 1930, as amended, and presented expert testimony on the results of these studies in deposition and before an International Trade Commission Administrative Law Judge.
- o He developed methods for the analysis of the career paths of professional baseball players and applied these methods to the analysis of the effects on the economics of the baseball trading card business of contracts between the players, the Major League Baseball Players Association, and a private company manufacturing baseball cards. He presented expert testimony based on this work before the U.S. District Court for the Eastern District of Pennsylvania in connection with a civil anti-trust proceeding.
- o He developed estimates of the economic value of a labor contract between a newspaper and a printers' union in connection with a breach of contract suit in the U.S. District Court for the Southern District of Ohio, Western Division.

- o He carried out analyses of the economic value of Yellow Pages consulting and advertising space reselling businesses in connection with various civil suits before state and Federal courts in California, Florida and Maryland.
- o He carried out valuations of several small businesses in the construction and printing industries in connection with their implementation of Employee Stock Ownership Plans.

Management Consulting - Financial Industries

- o He served as a consultant to the trust department of a large regional commercial bank in the implementation of a computer-based system for securities analysis.
- o He assisted the Federal Reserve Bank of Philadelphia in the design and implementation of the Regional Check Processing System for the Third Federal Reserve District.
- o He served as a consultant to a large casualty insurer in developing improved methods for establishing case basis loss reserves for automobile insurance.
- o He directed the analysis of the current and prospective regulatory environment of financial institutions world-wide as a consultant to a large multinational bank in strategic planning.
- o He served as a consultant to a large money center bank in developing methods for controlling check-cashing losses.

Management Consulting - Other Industries

- o He assisted a large European energy company in analyzing potential multi-billion dollar acquisition candidates located in the U.S.
- o He assisted a large chemical manufacturer in developing licensing strategies for the commercialization of a new plastic material.
- o He assisted a large soft-drink manufacturer in assessing the economic impacts of alternative bottler franchise provisions.
- o He served as a consultant to a diversified oil and gas producer in the estimation of the economic benefits of alternative gas pipeline systems.
- o He served as a consultant to an integrated meat packer in the development of a production planning system.

- o He assisted a large brewer in the evaluation of alternate retail delivery systems and sales call scheduling methods.
- o He served as a consultant to a catalog merchandiser in the design and implementation of statistical experiments for evaluating direct mail strategies.

PROFESSIONAL SOCIETIES:

American Association for the Advancement of Science

American Bar Association - Antitrust Section

American Physical Society

Society of the Sigma Xi

INFORMS (Operations Research & Management Science)

The National Association of Forensic Economics

The New York Academy of Sciences

PAPERS AND PRESENTATIONS – ECONOMICS

September 16, 2008

AMERICAN LAND TITLE ASSOCIATION

Title Insurance Accountants Meeting

Seattle, Washington

Invited presentation: “Update on the National Issues”

August 10, 2008

AMERICAN BAR ASSOCIATION

Tort Trial and Insurance Practices Section, Title Insurance Litigation Committee Meeting

New York, New York

Panel presentation on title insurance losses.

Invited paper: “A Quantitative Analysis of Title Insurance Losses After the
Mortgage Meltdown”

Reprinted in ABA Tort, Trial and Insurance Committee News, Fall 2008

August 14, 2007

INSURANCE REGULATORY EXAMINERS SOCIETY

Continuing Education Program, Pittsburgh, Pennsylvania

Panel Presentation: “Title Insurance – Is It Needed, and At What Cost?”

May 9, 2007

CALIFORNIA DEPARTMENT OF INSURANCE

Workshop, San Francisco, California

Testimony on title insurance statistical reporting issues.

May 8, 2007

AMERICAN LAND TITLE ASSOCIATION

Internal Auditors Meeting, Las Vegas, Nevada

Address: “The Proposed California Statistical Plans”

April 11, 2007

CALIFORNIA DEPARTMENT OF INSURANCE

Workshop, San Francisco, California

Testimony on title insurance statistical reporting issues.

Report: “Proposed California Title Insurance Statistical Plan”

December 15, 2006

CALIFORNIA DEPARTMENT OF INSURANCE

San Francisco, California

Report: "Some Practical Issues Raised by the Revised Title Insurance Statistical Plan and Related Rules Governing Rates and Charges Proposed by the California Insurance Commissioner"

September 18, 2006

AMERICAN LAND TITLE ASSOCIATION

Accountants Committee Meeting, Jackson Hole, Wyoming

Address: "The Proposed California Statistical Plan"

August 30, 2006

CALIFORNIA DEPARTMENT OF INSURANCE

Public Hearing, San Francisco, California

Testimony on economic impacts of proposed regulations.

Report: "Some Practical Issues Raised by the Title Insurance Statistical Plan and Related Rules Governing Rates and Charges Proposed by the California Insurance Commissioner"

August 16, 2006

TEXAS DEPARTMENT OF INSURANCE

Public Hearing, Austin, Texas

Testimony on title insurance economics.

June 11, 2006

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Quarterly Meeting, Washington, D.C.

Invited presentation: "Incorrect Conclusions of the Birnbaum Report"

January 5, 2006

CALIFORNIA DEPARTMENT OF INSURANCE

Workshop on Competition, San Francisco, California

Report: "Incorrect Conclusions About Competition In The California Title And Escrow Markets Asserted In The December 2005 Contractor Report To The California Insurance Commissioner"

December 4, 2005

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Quarterly Meeting, Chicago, Illinois

Invited Address: "The Role of the Monoline Requirement in Assuring Title Insurance Effectiveness"

October 6, 2005

AMERICAN LAND TITLE ASSOCIATION

Annual Meeting, New York, New York

Panel Discussion: "All You Ever Wanted to Know About Rating Bureaus"

September 18-19, 2005

AMERICAN LAND TITLE ASSOCIATION

Accountants Committee Meeting, Charleston, South Carolina

Address: "The Role of the Monoline Requirement in Assuring Title Insurance Effectiveness"

Address: "A Quick Introduction to Economic Bubbles"

June 11, 2005

ARKANSAS LAND TITLE ASSOCIATION

Annual Convention, Hot Springs, Arkansas

Continuing Agent Education and Continuing Legal Education Lectures

Lecture Series: "Unsolved Problems of Title Insurance"

May 16, 2005

AMERICAN LAND TITLE ASSOCIATION

Internal Auditors Meeting

Address: "The Role of the Monoline Requirement in Assuring Title Insurance Effectiveness"

January 23, 2005

AMERICAN LAND TITLE ASSOCIATION

Title Agents Executive Conference, Rancho Mirage, California

Panel Discussion: "Preparation for the Sale of an Agency Operation"

December 1, 2004

AMERICAN LAND TITLE ASSOCIATION

White Paper: "The Role of the Monoline Requirement in Assuring Title Insurer"

Effectiveness.

October 9, 2004

AMERICAN LAND TITLE ASSOCIATION

Annual Convention, Boston, Massachusetts

Panel Discussion: "Is There a Real Estate Bubble?"

August 11, 2004

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT
OF ILLINOIS – EASTERN DIVISION

Murry v. America's Mortgage Banc, Inc. et al., Case No. 03 C 5811

Greenleaf v. BWM Mortgage, LLC et al., Case No. 03 C 6186, Chicago, Illinois

Rule 26 Statements and deposition testimony on economics of Chicago area rates
for title insurance.

August 9-10, 2004

AMERICAN LAND TITLE ASSOCIATION

Reinsurance Committee Meeting, Williamsburg, Virginia

Address: "All You Ever Wanted to Know About Rating Bureaus"

Address: "Solvency, Defalcations, and Data"

December 15, 2003

DEPARTMENT OF INSURANCE, STATE OF TEXAS

Rate Hearing, Austin, Texas

Testimony on title insurance economics.

October 2, 2003

AMERICAN LAND TITLE ASSOCIATION

Washington, DC

White paper: "The Role of Title Insurance in Mortgage Finance and Home
Ownership"

June 20, 2003

MISSOURI LAND TITLE ASSOCIATION
Professional Development Seminar, Lake Ozark, Missouri
Address: "Filed Rates – Blessing or Curse?"

June 9, 2003
EAST BAY BUSINESS TIMES
Opinion Page, Pleasanton, California
Editorial: "Road Around Title Insurance Would Be Messy, Costly"

May 19-20, 2003
AMERICAN LAND TITLE ASSOCIATION
Internal Auditors Meeting, Key West, Florida
Address: "Where is the Title Industry Going?"
Address: "The Regulatory Research Corporation Radian Lien Protection Study"

April 30, 2003
CALIFORNIA SENATE, INSURANCE COMMITTEE
Public Hearing, Sacramento, California
Testimony on the effects of the Radian lien protection product on Californians.
Report: "Consumer Impacts Of Substituting Radian Lien Protection Coverage
For Refinance Lender's Title Insurance"

May 20-21, 2002
PENNSYLVANIA LAND TITLE INSTITUTE
Continuing Agent Education and Continuing Legal Education Lectures
Pittsburgh and Valley Forge, Pennsylvania
Lecture Series: "Unsolved Problems of Title Insurance"

February 20, 2002
UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
MICHIGAN, SOUTHERN DIVISION
Consolidated Case No.: 00-72124, Detroit, Michigan
Rule 26 Statement and deposition testimony on economics of Michigan builder's
rate for title insurance.

February 5, 2002
DEPARTMENT OF INSURANCE, STATE OF TEXAS
Rate Hearing, Austin, Texas
Testimony on title insurance economics.

September 20, 2001
TITLE INSURANCE RATE SERVICE ASSOCIATION, INC.
Rate Filing, New York, New York
Report: "Projected Economic Impact of Rates Proposed by the Title
Insurance Rate Service Association, Inc."

August 10, 2001
TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA
Rate Filing, Harrisburg, Pennsylvania
Report: "Projected Economic Impacts of the Rates Proposed by the Title
Insurance Rating Bureau of Pennsylvania"

March 6, 2001
MINNESOTA LAND TITLE ASSOCIATION
Spring Educational Seminar, St. Cloud, Minnesota
Address: "The Future of the Title Agent in the Delivery System."

December 12, 2000
DEPARTMENT OF INSURANCE, STATE OF TEXAS
Rate Hearing, Austin, Texas
Testimony on the economics of title insurance survey coverage.

August 3, 2000
TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA
Rate Filing, Harrisburg, Pennsylvania
Report: "Projected Economic Impacts of the Rates Proposed by the Title
Insurance Rating Bureau of Pennsylvania"

June 9, 2000
TEXAS LAND TITLE ASSOCIATION
Annual Convention, San Antonio, Texas
Address: "May You Live in Interesting Times"

April 7, 2000

AMERICAN LAND TITLE ASSOCIATION

Title Agents' Community Conference, Miami Beach, Florida

Address: "The Future of the Title Agent in the Delivery System."

March, 2000

AMERICAN LAND TITLE ASSOCIATION

Article: "Making Sense of Title Insurer Financial Ratings," Title News, Volume 79 Number 2, page 26.

November 2-4, 1999

DEPARTMENT OF INSURANCE, STATE OF TEXAS

Rate Hearing, Austin, Texas

Testimony on title insurance economics.

October, 1999

TITLE TECHNOLOGY MAGAZINE

Interview: "Embracing the Future -- How to Move Beyond the Fear of Change"

February 9, 1999

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

Civil Action No. 99-394 (JR), Washington, D.C.

Declaration testimony on the types of economic losses that generic pharmaceutical manufacturers would suffer if there were regulatory delays in their entry into particular previously patent-protected drug markets.

August 12, 1998

DEPARTMENT OF INSURANCE, STATE OF TEXAS

Rate Hearing, Austin, Texas

Testimony on title insurance economics and appropriate rates for first mortgage home equity loan coverages..

April 14, 1998

DEPARTMENT OF INSURANCE, STATE OF TEXAS

Rate Hearing, Austin, Texas

Testimony on title insurance economics and appropriate rates for junior lien home equity loan coverages.

February 6, 1998

INTERIM COMMITTEE ON TITLE INSURANCE, TEXAS SENATE

February 6, 1998

Testimony on the economics of controlled business title insurance agencies.

November 18-20, 1997

DEPARTMENT OF INSURANCE, STATE OF TEXAS

Rate Hearing, Austin, Texas

Testimony on title insurance economics.

October 14 and November 12, 1997

TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

Rate Filing, Harrisburg, Pennsylvania

Reports: "Projected Economic Impacts of the Rates Proposed by the Title Insurance Rating Bureau of Pennsylvania" and "Projected Economic Impact of Elimination of Seller's Disbursement Fee and Introduction of Proposed Alternate Rate Schedule"

August 11, 1997

NEW JERSEY LAND TITLE INSURANCE RATING BUREAU

Rate Filing, Trenton, New Jersey

Report: "Effect of Proposed Rate Manual on Revenues and Profits of Members of the New Jersey Land Title Insurance Rating Bureau"

April 16, 1997

AMERICAN LAND TITLE ASSOCIATION

Mid-Year Convention, Dorado, Puerto Rico

Address: "Hyperconcentration in the Financial Services Industries -- Threat or Opportunity?"

[Reprinted as "Increasing Concentration in the Lending Industry and its Implications for Title Insurance" in Title News, Volume 76, Number 4, page 13]

February 27, 1997

SOCIETY OF FINANCIAL EXAMINERS, NEW YORK CHAPTER

Continuing Education Program, New York, New York

Presentation: "Fundamentals of Title Insurance"

December 19, 1996

TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

Rate Filing, Harrisburg, Pennsylvania

Report: "Projected Economic Impacts of the Rates Proposed by the Title Insurance Rating Bureau of Pennsylvania"

October 18, 1996

AMERICAN LAND TITLE ASSOCIATION

1996 Annual Convention, Los Angeles, California

Discussion Leader, Seminar on "Passing the Torch -- Managing a Title Agency from One Generation to the Next"

August 9, 1996

DEPARTMENT OF INSURANCE, STATE OF TEXAS

Rate Proceeding, Austin, Texas

Pre-filed written direct testimony on title insurance economics.

April 18, 1996

PENNSYLVANIA ASSOCIATION OF TITLE EXAMINERS

Annual Meeting, Plymouth Meeting, Pennsylvania

Address: "Visions for the Future of the Title Industry into the Next Century"

March 22, 1996

NEW JERSEY LAND TITLE INSURANCE RATING BUREAU

Rate Filing, Trenton, New Jersey

Report: "Effect of Proposed Rate Manual on Revenues and Profits of Members of the New Jersey Land Title Insurance Rating Bureau"

October 3, 1995

COMMITTEE ON INSURANCE, MICHIGAN HOUSE OF REPRESENTATIVES

Public Hearing on House Bill 4140, Lansing, Michigan

Testimony on economic impacts of title insurance rate de-regulation.

August 30, 1995

TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

Rate Filing, Harrisburg, Pennsylvania

Report: "Projected Economic Impacts of the Rates Proposed by the Title

Insurance Rating Bureau of Pennsylvania"

August 11, 1995

INDIANA LAND TITLE ASSOCIATION

Annual Convention, Indianapolis, Indiana

Address: "Advantages and Disadvantages of Filed Rates"

December 2, 1994

LOUISIANA LAND TITLE ASSOCIATION

Annual Convention, New Orleans, Louisiana

Address: "Title Insurance in 2000 - Two Cautionary Tales"

Reprinted in Title News, Volume 74, Number 2, page 13.

November 16, 1994

DEPARTMENT OF INSURANCE, STATE OF NEW MEXICO

Rate Hearing, Santa Fe, New Mexico

Testimony relating to title insurance economics.

Report: "Current Economic Performance of the New Mexico Title Insurance Industry and Revenue Impact of Rate Changes Proposed by New Mexico Land Title Association"

July 25, 1994

TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

Rate Filing, Harrisburg, Pennsylvania

Report: "The Cost of Equity Capital to the Pennsylvania Title Insurance Industry"

June 17, 1994 and July 6, 1994

NEW MEXICO STATE INSURANCE BOARD

SCC Docket No. 93-192-IN, Rate Order Appeal Hearing , Santa Fe, New Mexico

Pre-filed written direct and rebuttal testimony on title insurance rates.

June 8, 1994

CONNECTICUT TITLE ASSOCIATION

Annual Meeting, New Haven, Connecticut

Address: "The Emerging NAIC Model Title Insurance Agents Act"

May 26, 1994

TITLE INSURANCE RATE SERVICE ASSOCIATION (NEW YORK)

Rate Review, New York, New York

Report: "Projected Impact of Decreases in Title Insurance Marginal Rates for High Liabilities"

April 23, 1994

OKLAHOMA LAND TITLE ASSOCIATION

Annual Convention, Oklahoma City, Oklahoma

Address: "Developments in Financial Reporting at the NAIC"

April 12, 1994

AMERICAN LAND TITLE ASSOCIATION

Mid-Winter Meeting, Scottsdale, Arizona

Panelist, Panel Discussion on "Title Insurance Rate Regulation - the Benefits and Burdens of Alternative Methods"

March, 1994

AMERICAN LAND TITLE ASSOCIATION

Article: "Title Insurers - The New Rating Game," Title News, Volume 73 Number 2, page 18.

March 14, 1994

FLORIDA SENATE, COMMITTEE ON COMMERCE

Public Meeting, Tallahassee, Florida

Testimony on potential impact of amendment of insurance code partially deregulating title insurance rates for very large liabilities.

March 2, 1994

TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

Rate Filing, Harrisburg, Pennsylvania

Report: "Projected Economic Impact of Rate Manual Proposed by Title Insurance Rating Bureau of Pennsylvania"

February 16, 1994

PENNSYLVANIA LAND TITLE ASSOCIATION

Mid-Winter Meeting, Valley Forge, Pennsylvania

Address: "Recent Developments at the NAIC"

December 15, 1993

INSURANCE DEPARTMENT, COMMONWEALTH OF PENNSYLVANIA
Harrisburg, Pennsylvania

Report: "Functional Costs and Profits of the Pennsylvania
Title Insurance Industry"

November 19, 1993

DEPARTMENT OF INSURANCE, STATE OF NEW MEXICO
Rate Hearing, Santa Fe, New Mexico

Testimony relating to title insurance economics.

Report: "Economic Considerations in Establishing New Mexico
Title Insurance Rates"

October 15, 1993

AMERICAN LAND TITLE ASSOCIATION
1993 Annual Convention, Palm Springs, California

Moderator, Panel Discussion on "Rating Title Insurance Companies"

September 20, 1993

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS
Public Hearing, Boston, Massachusetts

Testimony on proposed changes to the Annual Statement blank filed by title insurers with
state regulators.

August 6, 1993

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Public Hearing, Washington, D.C.

Testimony on the economics of controlled business in connection with a review of the
impacts of Regulation X of the Real Estate Settlement Procedures Act (RESPA).

June 25, 1993

NEW JERSEY LAND TITLE INSURANCE RATING BUREAU
Rate Filing, Trenton, New Jersey

Report: "Effect of Proposed Rate Manual on Revenues and Profits of Members
of the New Jersey Land Title Insurance Rating Bureau"

May, 1993

AMERICAN LAND TITLE ASSOCIATION

Article: "So You're Thinking About Rate Regulation," Title News, Volume 72,
Number 3, page 12.

February 23, 1993

TITLE INSURANCE RATE SERVICE ASSOCIATION (NEW YORK)

Rate Filing, New York, New York

Report: "The New York Title Insurance Industry -- Historic Performance 1982-1991 and
Projected Performance Under Proposed TIRSA Rate Manual"

February 9, 1993

ILLINOIS LAND TITLE ASSOCIATION

Rate Regulation Symposium, Naperville, Illinois

Keynote Address: "Overview of Rate Regulation"

October 17, 1992

AMERICAN LAND TITLE ASSOCIATION

1992 Annual Convention, Maui, Hawaii

Moderator, Panel Discussion on "Solvency Concerns in the Title Industry"

August 14, 1992

MINNESOTA LAND TITLE ASSOCIATION

1992 Annual Convention, St. Paul, Minnesota

Address: "Trends in Title Insurance Regulation"

July 25, 1992

MICHIGAN LAND TITLE ASSOCIATION

1992 Annual Convention, Gaylord, Michigan

Address: "Trends in Title Insurance Rate-Making"

June 8 & 9, 1992

NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

Title Insurance Working Group of Special Issues (E) Committee

Public Hearing, Washington, D.C.

Testimony on solvency analysis and financial reporting issues.

April 2, 1992

DEPARTMENT OF INSURANCE, STATE OF FLORIDA

Tallahassee, Florida

Report: "Economic Analysis of Current Rates and Charges in the Florida Title
Insurance Industry"

March 27, 1992

AMERICAN LAND TITLE ASSOCIATION

Mid-Winter Meeting, Washington, D.C.

Moderator, Panel Discussion on "The Correct Way to Regulate Title Insurance"

March 19, 1992

U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

Civil Action Number C-88-137-G

Trial testimony on the economics of the title insurance industry in connection with a civil antitrust proceeding .

November 15, 1991

FLORIDA LAND TITLE ASSOCIATION

1991 Annual Convention, Ponte Vedra, Florida

Address: "The FTIC Study - Summary of Results"

September 24, 1991

U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

Civil Action Number C-88-137-G

Deposition testimony on the economics of the title insurance industry in connection with a civil antitrust proceeding.

August 20, 1991

AMERICAN LAND TITLE ASSOCIATION

Meeting of Title Insurance Industry Accountants

Port Ludlow, Washington

Invited Paper: "The Upward Bias in IBNR Reserves Produced by Improved Claims Management Practices"

July 10, 1991 and August 14, 1991

FLORIDA DEPARTMENT OF INSURANCE, TITLE INSURANCE SUNSET WORKSHOP

Tallahassee, Florida

Presentations on results of Florida Title Industry Coalition economic study.

April 29, 1991
AMERICAN LAND TITLE ASSOCIATION
Eastern Regional Title Insurance Executives Meeting
Kiawah Island, South Carolina
Panelist, Panel Discussion on "Ratemaking in the New Regulatory Environment"

April 11, 1991
AMERICAN LAND TITLE ASSOCIATION
Mid-Winter Meeting, San Diego, California
Moderator, Panel Discussion on "The Changing Nature of the Agent-Underwriter Relationship"

April 4, 1991
FAIRFAX COUNTY, VIRGINIA CIRCUIT COURT
Civil Action No. 84080
Testimony on the economics of competition in the market for Yellow Pages advertising and on the amount of damages suffered by an authorized selling representative.

February 18, 1991
MICHIGAN LAND TITLE ASSOCIATION
Mid-Winter Meeting, Troy, Michigan
Address: "Regulatory Developments in States Around the Country"

December 10, 1990
STATE OF TEXAS, BOARD OF INSURANCE
Rate Hearing, Austin, Texas
Testimony relating to title insurance rate level requirements.

December 7, 1990
LOUISIANA LAND TITLE ASSOCIATION
Annual Convention, New Orleans, Louisiana
Address: "Title Insurance in the 1990's - Emerging Issues" [printed in *Louisiana - Title Examination and Recent Developments in Real Estate Law*, Professional Education Systems, Inc.]

August 20, 1990
AMERICAN LAND TITLE ASSOCIATION
Accounting Committee Meeting, Boston, Massachusetts
Address: "Functional Cost Accounting and the Underwriter- Agent Battle"

June 8, 1990
AMERICAN LAND TITLE ASSOCIATION
Western Regional Title Insurance Executives Meeting
Colorado Springs, Colorado
Panel Discussion: "The Uniform Financial Reporting Plan"

April 6, 1990
AMERICAN LAND TITLE ASSOCIATION
Mid-Winter Meeting, New Orleans, Louisiana
Moderator, Panel Presentation: "The Title Insurance Industry in the 21st Century."

March, 1990
AMERICAN LAND TITLE ASSOCIATION
Washington, D.C.
Article: "The 80s - Economic Prologue to What?" Title News, Volume 69, Number 1,
page 4

December 14-15, 1989
STATE OF TEXAS, BOARD OF INSURANCE
Division of Premium Hearing, Austin, Texas
Testimony relating to economically appropriate title insurance agency retention rates.

November 28-30, 1989
STATE OF TEXAS, BOARD OF INSURANCE
Rate Hearing, Austin, Texas
Testimony relating to title insurance rate level requirements.

August 22, 1989
AMERICAN LAND TITLE ASSOCIATION
Meeting of Title Industry Accountants, San Diego, California
Invited Lecture: "Actuarial Issues in Modeling Title Insurance Loss Reserves"

August 14, 1989
U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
Civil Action Number C-88-137-G
Deposition testimony in connection with a civil antitrust proceeding on the economics of
the title insurance industry.

June 9, 1989

AMERICAN LAND TITLE ASSOCIATION

Western Regional Title Insurance

Executives' Meeting, Colorado Springs, Colorado

Invited Lecture: "Actuarial Issues in Modeling Title Insurance Loss Reserves"

April 30, 1989

U.S. ENVIRONMENTAL PROTECTION AGENCY

RCRA Docket F-88-WPWP-FFFFF, Washington, D.C.

Report: "Economic Impacts of Alternative Approaches to Regulating Wood Preserving Wastes"

November 16, 1988

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.

May 19, 1988

COALITION FOR AUTO REPAIR CHOICE

Press Conference, Washington, D.C.

Presentation on prospective economic impact of extension to Federal automobile emission control system performance warranties.

Report: "Economic Impacts of a Government-Mandated 10 Year/100,000 Mile Emission Control System Performance Warranty"

May 5-6, 1988 and November 14, 1988

PESTICIDE REGULATION/TECHNICAL CONFERENCE

Washington, D.C.

Faculty presentation on the economic analysis of pesticide benefits.

Address: "Assessing Pesticide Benefits"

February 25-26, 1988

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Civil Action Number 85-20364

Deposition testimony in connection with a civil antitrust action on the economics of the Yellow Pages consulting business and the measure of damages to a consulting firm.

December 18 & 21, 1987
STATE OF TEXAS, BOARD OF INSURANCE
Rate Hearing, Austin, Texas
Testimony relating to title insurance economics.

July 20-21, 1987 and April 5, 1988
AMERICAN ARBITRATION ASSOCIATION
Arbitration Hearing, Washington, D.C.
Testimony on economic effects of a proposed structure of compensation payments for
licensing of proprietary research data on pesticide safety and efficacy under Section
3(c)(1)(D) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended.

March 20, 1987 and November 6, 1987
THE PESTICIDE REGISTRATION WORKSHOP
Washington, D.C.
Faculty presentation on the economic analysis of pesticide regulations.
Address: "Measuring the Economic Impact of Restrictions"

December 21, 1986 and January 17, 1987
STATE OF TEXAS, BOARD OF INSURANCE
Rate Hearing, Austin, Texas
Testimony relating to title insurance economics.

June 16 and July 9, 1986
CIRCUIT COURT FOR MONTGOMERY COUNTY, MARYLAND
Civil Action No. 4673
Deposition and trial testimony on the economics of the Yellow Pages advertising
consulting market and on the value of a consulting business.

March 21, 1986
STATE OF TEXAS, BOARD OF INSURANCE
Meeting of Special Study Committee, Austin, Texas
Presentation to "blue ribbon" panel on economics of title insurance.

November 20, 1985
STATE OF TEXAS, BOARD OF INSURANCE
Meeting of Special Study Committee, Austin, Texas

Presentation to "blue ribbon" panel on economics of title insurance.

November 19, 1985

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Report: "Rates of Return on Investment in the Texas Title Insurance Industry"

Report: "Effect of Proposed Rate Structure Changes on Net Underwriter Retained Premium"

September 13, 1985

U.S. DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA, TAMPA DIVISION

Case No. 82-968-Civ-T-GC

Testimony on the economics of the Yellow Pages advertising space market and its interpretation in terms of the economic principles of antitrust analysis.

December 14-17, 1984

U.S. FEDERAL TRADE COMMISSION

Washington, D.C.

Presentations to Commissioners on potential economic impact of proposed enforcement action against several title insurance companies.

September, 1984

PENNSYLVANIA TITLE INSURANCE RATING BUREAU

Harrisburg, Pennsylvania

Report: "The Relationship Between Title Insurance Agency Operating Costs and the Level of Title Insurance Agency Commission Rates in Pennsylvania"

July, 1984

U.S. INTERNAL REVENUE SERVICE

Washington, D.C.

Report: "Potential Economic Impacts of Revenue Ruling 83-174"

June 26, 1984

U.S. INTERNATIONAL TRADE COMMISSION

Investigation No. 337-TA-162, Washington, D.C.

Deposition testimony on the economic impact on the U.S. cardiac pacemaker industry of the importation of certain cardiac pacemakers and components.

March, 1984

AMERICAN LAND TITLE ASSOCIATION

Washington, D.C.

Article: "Directions," Title News, Volume 63, Number 3
(with Richard W. McCarthy)

March, 1984

PENNSYLVANIA TITLE INSURANCE RATING BUREAU

Harrisburg, Pennsylvania

Report: "Limitations of the Analysis Group Report on Title Insurance in Pennsylvania"

December 2, 1983

NORTHEASTERN UNIVERSITY SCHOOL OF BUSINESS

Boston, Massachusetts

Guest lecturer on antitrust economics in Executive M.B.A. program.

November 9, 1983

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.

September 22, 1983

AMERICAN LAND TITLE ASSOCIATION

Annual Meeting, Boca Raton, Florida

Panel Discussion: "Costs and Benefits of Regulation"

June 7, 1983

NEW JERSEY LAND TITLE ASSOCIATION

Annual Convention, Absecon, New Jersey

Panel Discussion: "Costs and Benefits of Regulation - Three Perspectives"

April 13, 1983

U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS, HOUSTON
DIVISION

Civil Action No. H-81-983

Deposition testimony relating to economic damages caused to a title insurance agency by
computer failure.

February 23-24 and March 17, 1983

AMERICAN ARBITRATION ASSOCIATION

Arbitration Hearing, Arlington, Virginia

Testimony on value of proprietary research data on pesticide safety and efficacy as basis for compensation under Section 3(c)(1)(D) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended.

November 4, 1982

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.

November, 1982

LOUISIANA LAND TITLE RATING BUREAU

New Orleans, Louisiana

Report: "Economic Performance of the Louisiana Title Insurance Industry 1973-1981"

June 8, 1982

NEW JERSEY LAND TITLE INSURANCE ASSOCIATION

Annual Convention, Absecon, New Jersey

Address: "Current Status of Title Insurance Rate Regulation in New Jersey"

February 18, 1982

THE INSTITUTE OF MANAGEMENT SCIENCES

Cambridge, Massachusetts

Lecture: "Application of a Linear Programming Model of Baseball Player Careers in an Antitrust Case"

February 15, 1982

UNIVERSITY OF CHICAGO, DIVISION OF THE PHYSICAL SCIENCES

Chicago, Illinois

Address: "Quantum Field Theory and the Price of Baseball Cards -Non-Scientific Careers for Scientific People"

February, 1982

STATE OF NEW JERSEY, INSURANCE DEPARTMENT

Trenton, New Jersey

Report: "Economic Principles and the Regulation of New Jersey Title Insurance Rates"

November 10, 1981

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.

August, 1981

LOUISIANA LAND TITLE RATING BUREAU

New Orleans, Louisiana

Report" "Economic Performance of the Louisiana Title Insurance Industry 1973-1980"

July, 1981

AMERICAN LAND TITLE ASSOCIATION

Washington, D.C.

Article: "Financial Leverage and Title Insurance Industry Profitability," chapter in The Title Insurance Industry, ALTA Research Committee, 1981

June 9, 1981

NEW JERSEY LAND TITLE INSURANCE ASSOCIATION

Annual Convention, Absecon, New Jersey

Address: "Statistical Data - The Raw Material for Rate Adjustments"

April 2, 1981

U.S. INTERNATIONAL TRADE COMMISSION

Hearing on Investigation No. 337-TA-90, Washington, D.C.

Testimony on the economic impact on the U.S. airless diaphragm paint sprayer industry of the importation of certain pumps.

March, 1981

AMERICAN LAND TITLE ASSOCIATION

Washington, D.C.

Article: "Reagonomics and the Title Industry," Title News, Volume 60, No. 3

December, 1980

LOUISIANA LAND TITLE RATING BUREAU

New Orleans, Louisiana

Report: "The Louisiana Title Insurance Industry - Economic Profile 1973-1979"

December, 1980

STATE OF NEW JERSEY, INSURANCE DEPARTMENT

Trenton, New Jersey

Report: "Economic Principles and the Regulation of New Jersey Title Insurance Rates"

November 12, 1980

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.

September 16, 1980

STATE OF LOUISIANA, INSURANCE RATING COMMISSION

Baton Rouge, Louisiana

Presentation to Commission Chairman.

Report: "Practical Methods for the Regulatory Review of Louisiana Title Insurance Rates"

September, 1980

AMERICAN LAND TITLE ASSOCIATION

Washington, D.C.

Article: "An Analysis of Inflation and Profits in the Title Insurance Industry," chapter in
The Title Insurance Industry, ALTA Research Committee, 1980

August 11, 1980

U.S. CONSUMER PRODUCT SAFETY COMMISSION

Washington, D.C.

Report: "Economic Impact of a Ban on Selected Asbestos-Containing Consumer
Products" (jointly with Arthur D. Little, Inc.), report to Directorate for
Hazard Identification and Analysis

June 20, 1980

U.S. CONSUMER PRODUCT SAFETY COMMISSION

Washington, D.C.

Report: "Potential Economic Impacts of a Ban on Asbestos Paper Consumer Products,"
report to Deputy Associate Executive Directorate for Economics

February 7-8, 1980

U.S. ENVIRONMENTAL PROTECTION AGENCY

Hearing on FIFRA Comp. Docket Nos. 33, 34 and 41, Washington, D.C.

Testimony on the economics of mandatory licensing of proprietary data on pesticide safety
and efficacy under Section 3(c)(1)(D) of the Federal Insecticide, Fungicide, and
Rodenticide Act, as amended.

November 7-8, 1979

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.

Report: "Economics of the Texas Title Insurance Industry"

May-July, 1979

U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Trial of Civil Action No. 75-1803, Philadelphia, Pennsylvania

Testimony on the economic structure of the baseball trading card industry and its
interpretation in terms of the economic theory of competition and monopoly.

Report: "Economic Characteristics of the Baseball Card Business"

January 9, 1979

U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action No. 75-1803, Philadelphia, Pennsylvania

Affidavit on the role of profit information in the analysis of industrial organization.

November 8, 1978

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.

Report: "Economic Considerations in Establishing an Allowance for Profit and
Contingencies in Texas Title Insurance Rates"

November 1-2, 1977

STATE OF TEXAS, BOARD OF INSURANCE

Rate Hearing, Austin, Texas

Testimony relating to title insurance economics.
Report: "Rates of Return on Capital for the Texas Title Insurance Industry 1972-1976"

May, 1977

U.S. ENVIRONMENTAL PROTECTION AGENCY
Washington, D.C.

Report: "Economic Impacts of Pulp and Paper Industry Compliance with Environmental Regulations," 3 volumes (EPA 230/3-76-014, available from National Technical Information Service)

March 14, 1977

U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA
Civil Action No. 75-1803, Philadelphia, Pennsylvania

Affidavit relating to economic feasibility of competitive entry into the baseball trading card market.

March, 1977

AMERICAN LAND TITLE ASSOCIATION
Washington, D.C.

Report: "Uniform Financial Reporting Plan" (revised March 1978)

November 3-4, 1976

STATE OF COLORADO, DIVISION OF INSURANCE
Investigatory Hearing, Denver, Colorado

Testimony relating to title insurance economics.

Report: "An Economic Analysis of Colorado Title Insurance Rates"

August 16-18, 1976

AMERICAN RISK AND INSURANCE ASSOCIATION
Annual Meeting, Newton, Massachusetts

Invited Paper: "Data Collection and Rate Regulation in Title Insurance"

May 18, 1976

PRESIDENT'S COUNCIL ON WAGE AND PRICE STABILITY
Public Hearing, Washington, D.C.

Invited testimony relating to projected impact of Federal environmental regulations on pulp and paper product prices and on industry financing requirements.

April 28, 1976

STATE OF CALIFORNIA, DEPARTMENT OF INSURANCE
Los Angeles, California

Report: "Profitability of the California Title Insurance Industry"
(Update: "California Title Insurance Industry Profitability Reporting System - 1975
Results," February 28, 1977)

March 3, 1976

AMERICAN LAND TITLE ASSOCIATION
Washington, D.C.

Report: "Uniform Statistical System"

January 26, 1976

STATE OF NEW YORK, DEPARTMENT OF INSURANCE
Rate Filing, New York, New York

Report: "An Economic Analysis of New York Title Insurance Rates" (revised May 10,
1976)

January, 1976

U.S. ENVIRONMENTAL PROTECTION AGENCY
Washington, D.C.

Report: "Economic Analysis of Proposed and Interim Final Effluent Guidelines for the
Bleached Kraft, Groundwood, Sulfite, Soda, Deinked and Non-Integrated
Paper Sectors of the Pulp and Paper Industry" (EPA 230/2-76-045, available
from National Technical Information Service)

December 11, 1975

STATE OF DELAWARE, DEPARTMENT OF INSURANCE
Wilmington, Delaware

Presentation to Commissioner of Insurance.

Report: "An Economic Analysis of Delaware Title Insurance Rates"

July, 1975

THE INSTITUTE OF MANAGEMENT SCIENCES
XXII International Meeting, Kyoto, Japan

Invited Paper: "The Economics of Title Insurance Rate Regulation"

(presented in absentia)

April 17, 1975

STATE OF WISCONSIN, DEPARTMENT OF INSURANCE
Rate Hearing, Madison, Wisconsin
Testimony relating to title insurance economics.

April, 1975

FEDERAL NATIONAL MORTGAGE ASSOCIATION, FEDERAL HOME LOAN
MORTGAGE CORPORATION, AND U.S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT
Washington, D.C.
Report: "The Private Mortgage Insurance Industry"

February 17, 1975

STATE OF OHIO, DEPARTMENT OF INSURANCE
Columbus, Ohio
Report: "The Ohio Title Insurance Experience Reporting System" (Updates: "Ohio Title
Insurance Experience Reporting System -1974 Results," May 10, 1976; "Economic
Performance of the Ohio Title Insurance Industry 1973-1975," January 25, 1977)

March 8, 1974

AMERICAN LAND TITLE ASSOCIATION
Midwinter Conference, New Orleans, Louisiana
Address: "Measuring and Justifying Title Company Profitability"
Printed in Title News, June, 1974

January 30, 1974

STATE OF PENNSYLVANIA, INSURANCE DEPARTMENT
Rate Hearing, Harrisburg, Pennsylvania
Testimony relating to title insurance economics.
Report: "Economic Considerations in the Establishment of Title Insurance Rates in
Pennsylvania"

Reprinted in Real Estate Settlement Costs (Subcommittee on Housing, U.S. House Committee on Banking and Currency), Washington, D.C., 1974 pp. 519-554; see also pp. 404-427

March 15, 1973

AMERICAN LAND TITLE ASSOCIATION

Midwinter Conference, Phoenix, Arizona

Panel Discussion: "The Ohio Precedent: Statistical Compilations for Rate Filings"

PUBLICATIONS - THEORETICAL PHYSICS

"Invariance Principles and the $K^0 - \bar{K}^0$ Propagator Matrix," Phys. Rev. 144, 1300 (1966)

"T-Violation and the Off-Mass-Shell Corrections to Proton Compton Scattering," Phys. Rev. 158, 149 (1967). (Thesis)

"Some Consequences of Relativistic SU(6) Symmetry" (with G. R. Goldstein), University of Chicago Report EFINS 65-25

"Sum Rules and the Electromagnetic Mass Difference of Pions" (with C. L. Cook, L. E. Evans, M. Y. Han and N. Straumann), Nucl. Phys. B5, 140 (1968)

"Electromagnetic Mass Difference of Kaons" (with C. L. Cook, L. E. Evans, M. Y. Han and N. Straumann), Phys. Rev. Letters 20, 295 (1968)

"A Remark on Solutions of the Algebra of Currents at Infinite Momentum" (with N. Straumann), Nuovo Cimento 55A, 834 (1968)

"Schmid Loops, Nucleon Resonances, and Dynamics on the Argand Diagram," Phys. Rev. 181, 1972 (1969)

"Calculation of the Lifetime of the Positive Kaon" (with L. E. Evans),
Bull. Am. Phys. Soc. 15, 609 (1970)

EXHIBIT NRL-1

PROFESSIONAL BIOGRAPHY OF

DR. NELSON R. LIPSHUTZ