

Raising the Bar.  
Setting the Standard.

Making a Difference.





*An old man walked up a shore littered with thousands of starfish, beached and dying after a storm. A young man was picking them up and flinging them back into the ocean. "Why do you bother?" the old man scoffed. "You're not saving enough to make a difference." The young man picked up another starfish and sent it spinning back to the water. "Made a difference to that one," he said.*

**At United General, we strive to  
make a difference everyday.**



## Raising the Bar.

### *To our Employees, Shareholders, and Customers*

2003—Wow! The best year in our company's history. The best year in our industry's history. A year when sometimes all we could do as an industry was to "hold on." A year when we hardly could believe the volumes. A year when housing drove the economy. An awesome year. An exhilarating year. And a year of great change.

First things first though. From United General, we give our deepest thanks to our employees, agents, shareholders, and customers who continue to believe in United General's way of doing business. We thank you for your continued support and we wish you the very best in the coming year.

Over the past year, we have made significant advances to our website and electronic remittance capabilities. We have signed new, highly qualified agents to the United General network and more title professionals have joined our team to help support our growing agency base and clients. We continued to develop national title agent advisory councils to challenge the industry and address the needs of our agents. And we made enormous strides in developing and promoting our national transaction network, RealAlliance®.

In 2004, we plan to increase participation in RealAlliance, grow our national advisory councils, develop the markets we have recently entered, and above all, continue to do our part to help our communities and the industry. Again, I would like to thank all who contributed to the success of United General in 2003. Thanks to our loyal customers and dedicated employees, we continue to grow our service offerings, markets, and network of exceptional agents. If you manage the risk, 2004 will most likely be another good year. Depending on your market, economists predict resales will still be strong with possibly a drop of 10%; refinances will go back to possibly what they were in 1998 — maybe about 20-25% of what it was in 2003; new construction could have a banner year — but comes with some sticky title issues of its own; commercial may be up 6%; and industrial markets could be up 10-20%. Overall, not a bad economic forecast.

As to our industry, there are challenges. Now more than ever, it is a time for serious title people to address serious title issues. One of the most critical threats to the industry is the lowering of our industry's underwriting standards. Under the guise of consumer benefits, a casualty approach, or too little time, the industry is adopting practices that threaten our very future. When confronted with challenges such as the integrity of our pricing,

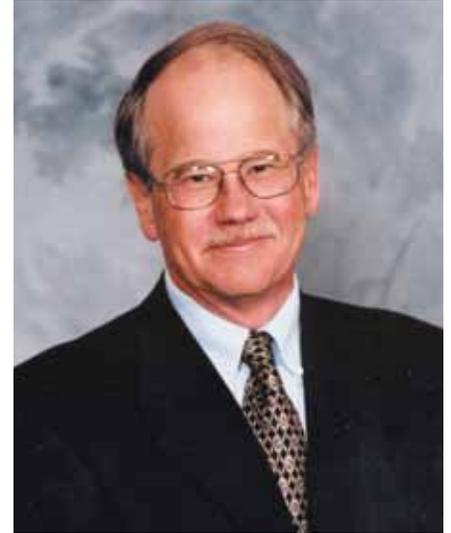
overworked and overwhelmed customers too busy to do all the requirements of post closing (like releasing mortgages), recorder's offices that are months behind, intervening companies from other industries (like Radian), and RESPA reform — some in the industry respond with "last deed searches," insurance of newly refinanced mortgages as first liens without subordination of intervening equity lines, recording gap insurance, exaltations to use "bundles" the consumer has not expressed an interest to purchase, mortgage impairment policies without searches based on credit scores, and so on.

As an industry, we have often been too busy to answer these types of challenges. When coupled with the fact that our industry seems to have the view that we provide a valued service that doesn't need explanation because value is value—our critics have an open field. Some of the current "answers" and "solutions" to these issues are unacceptable to true title people.

As true title professionals, we must challenge ourselves. We must educate others. Consumers, regulators, and customers deserve to understand what they are buying and why. But we can't do this if we don't understand ourselves and our industry. Ask yourself these questions: Why are we a "monoline" industry? How did Truth in Lending change the industry's pricing structure? How long is our claims tail? How many of you purchased title insurance so if the insurer is wrong you could be paid off and then asked to leave your home? Our future depends on our own knowledge. We provide title assurance. Yes, we include a contract of indemnity (insurance), but it's not a casualty product. And yes, we have different customer groups — owners, lenders, developers, and so on. But we are in the real estate process because, as I was told my first year in the business, "we make it right." We do our consumers a disservice if they think of us as "only another settlement cost."

Whether we are discussing proposed changes to RESPA; justifying our pricing structure as it is driven by Truth in Lending through the requirement of the GFE- state laws and regulations; assessing the risk of the concentration of mortgages, use of derivatives, or lack of transparency of the GSE's—this is a time for thoughtful efforts. As an industry, we provide a valuable service—and we believe it is a critical time for title people to step forward and proactively address today's issues.

At United General, we have and will continue to actively address these and other critical issues



because we believe in what we do. We are excited and enthusiastic about the challenges we face. We believe in our dreams and the dreams of our customers and employees. We partner with our agents and employees everyday to see that their goals are realized.

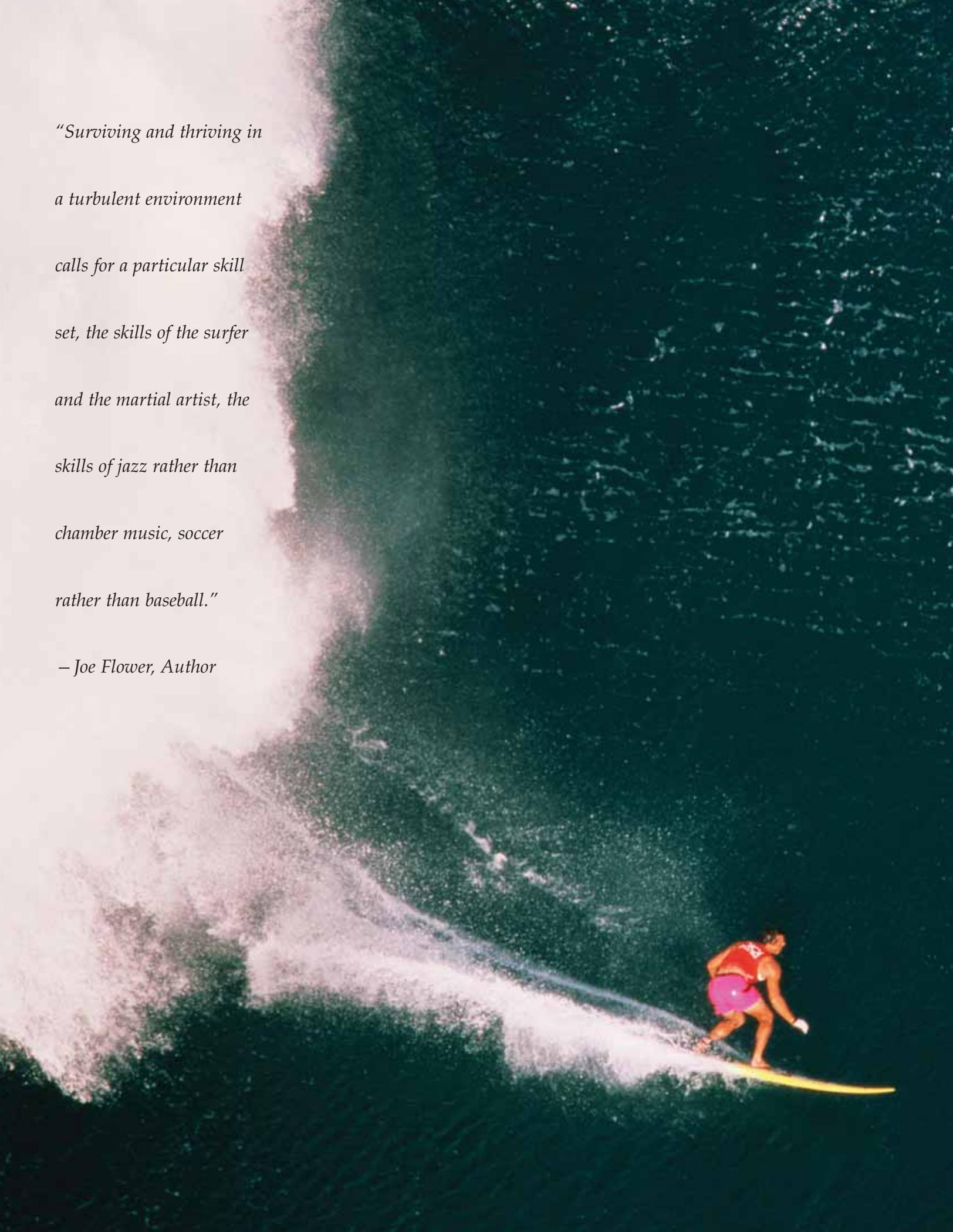
***"And we intend to raise the bar and set the standard for every title insurance underwriter in the country."***

Thank you to all who continue to work to improve an industry we love and care about. Bless you and your families in the upcoming year.

**John P. Dwyer, Jr., President and CEO**

*“Surviving and thriving in  
a turbulent environment  
calls for a particular skill  
set, the skills of the surfer  
and the martial artist, the  
skills of jazz rather than  
chamber music, soccer  
rather than baseball.”*

*– Joe Flower, Author*





## Setting the Standard.

*Foresight, integrity, skill, commitment, and worthy goals continue to guide United General's management team.*

*They are the best in the business. They have experience, intelligence, skill, and they know the industry inside and out. Most of all, they care about their customers. The employees of United General have built this company through partnering, training, and supporting their agents and customers on a daily basis.*

### **United General's Senior Management Team**

#### **John P. Dwyer, Jr., President and CEO**

John started in the title industry when he was 16 years old. His stepfather was a counsel for a national underwriter and his mother was employed by several title insurance companies, eventually owning her own agency. Since then, John has been involved in virtually every aspect of the industry including agency relations, the development of title plants, abstracting and examining, underwriting, sales and marketing, escrow operations, claims, and technology. In the late 1980s, John was a partner in one of the industry's leading consulting firms where he headed projects for related industry groups. He has been a keynote speaker at numerous title association meetings and has conducted training programs in title technologies and marketing across the country. In early 1996, as the President of Townsquare Title Services Corporation (now known as United General Financial Services, Inc.), John led the team that successfully completed the acquisition of United General Title Insurance Company.

#### **Bryan R. Willis, Senior Vice President and CFO**

Bryan came to United General from Chicago Title, where he served as Vice President, Corporate Controller, and Chief Accounting Officer. While with Chicago Title, Bryan was responsible for financial planning and analysis, SEC reporting, tax planning, and the annual planning process. He played a major role in managing the finance/accounting portion of the company's transition from a non-public subsidiary company to a stand-alone, publicly traded company. Bryan has an impressive track record in the corporate financial management arena. He possesses superior skills in corporate development, management, strategic planning, cost reduction, and productivity improvement. Bryan received his Bachelor's Degree in business administration with a minor in computer science from Southern Utah University. He received his Master's Degree in business administration from BYU.

#### **Patricia A. Garcia, Senior Vice President of Administration**

Patricia is United General's senior administrative officer. In addition to her responsibilities on the Company's Board of Directors and in overseeing human resources and benefits, she plays a significant role in the strategic planning and direction of the Company. Patricia has 22 years of real estate, mortgage banking, and title services experience. She joined Townsquare Title Services Corporation (now known as United General Financial Services, Inc.) in 1992, and was instrumental in the acquisition of United General Title Insurance Company in 1996. Patricia has obtained certification in both Human Resource Administration and Governmental Regulation in Employment Law.

*We believe in the future and see great opportunities.*

*We believe in thinking outside the box.*

*We believe in partnering with our agents.*

*And we believe the independent agent can not only match the service levels of other major underwriters—but exceed those service levels.*

**At United General, we dream big because we believe in what we do.**

UNITED GENERAL FINANCIAL SERVICES, INC. IS COMMITTED TO MEETING THE NEEDS OF ITS TITLE AGENTS AND CUSTOMERS THROUGHOUT THE COUNTRY. UNITED GENERAL FINANCIAL SERVICES PROVIDES TITLE INSURANCE PRODUCTS AND SERVICES THROUGH UNITED GENERAL TITLE INSURANCE COMPANY. UNITED GENERAL TITLE INSURANCE COMPANY MARKETS ITS SERVICES THROUGH A NETWORK OF APPROXIMATELY 1,000 CAREFULLY SELECTED TITLE AGENTS REPRESENTING 36 STATES AND THE DISTRICT OF COLUMBIA. THROUGH STRATEGIC BUSINESS RELATIONSHIPS, UNITED GENERAL HAS EXPANDED ITS GEOGRAPHIC SCOPE AND CAN SERVE NEARLY EVERY MAJOR MARKET IN THE UNITED STATES.



## Making a Difference.

### *Strategically growing, always with the goal of providing significant value to those we serve.*

At United General, our customers remain our top priority. Throughout 2003, we continued to keep our customers' needs in the forefront while making progress in our operations, technology enhancements, and service offerings. We market our services through a network of approximately 1,000 carefully selected title agents representing 36 states and the District of Columbia. Plus, through our strategic business relationships with Connecticut Attorneys Title Insurance Company (CATIC) and the Attorneys' Title Insurance Fund of Florida (ATIF), we have expanded the geographic network of agents and can serve almost every major market in the United States.

### **Common Goals. Uncommon Results.**

As title people, we understand there are many challenges to running a successful title insurance agency. That's why, at United General, we partner with our agents to help improve their profitability, market position, and operations. Over the past year, we continued to form and develop national Advisory Councils. We fine tuned the RealAlliance, a national transaction network designed to enhance the role and productivity of independent agents and customers across the country. We enhanced our technology solutions in order to meet our customers' growing needs.

*"As the owner of an independent title agency, the greatest advantage of working with an underwriter like UGTIC is the support and availability of the local office. Being in NY, the local White Plains office has provided invaluable support over the years. Whether responding to a request for a simple form or providing assistance on a complicated matter, the responsiveness, attention and knowledge base provided by the local office has allowed me to close deals quicker and more efficiently and with the knowledge and confidence that my underwriter was working with me not against me. For a small business owner that support is critical to my success. I have found UGTIC to be a valuable business partner."*

— Steven M. Rubertone, General Counsel  
Intrastate Property Corp; Americana Abstract,  
LLC and Southampton Abstract, LLC

And we continued to better our website with improved navigation, timely information, and greater online services for agents, lenders, and customers—all available with a simple click of a mouse.

As a direct result of the dedication, expertise, and hard work of our employees, as well as the ongoing support of our customers and agents, United General experienced one of its best years ever. We were able to expand our support staff and hire some exceptional new people who believe in our mission to serve you, the customer. They know we can achieve uncommon results because we believe so strongly in what we do.

Our Rocky Mountain Region experienced a highly successful year, coming in at more than 25% over projections. Scott Chandler, VP/Regional Manager, and his staff implemented quite a few processes to improve customer service and work flow efficiencies. For example, 95% of all their agents' ICL letters are now produced online. In addition, United General's Direct Electronic Remittance Program (DERP) enhanced the region's reporting capabilities thereby increasing efficiency by 20% or more. Throughout the year, the Rocky Mountain Region successfully promoted these and other enhancements to their agents, resulting in more time to personally service agents as well as a dramatic increase in online ordering—close to 100%. "Our agents know we have their best interests in mind at all times," states Scott Chandler. "As other underwriters are merging, consolidating, decreasing staff, and putting resources into centralized locations, we realize (and hear from our customers all the time) how important United General is to the independent agent. Our services and support are critical."

Just like all United General offices across the country, this accomplished team continues to help agents every day by providing training, exceptional underwriting services, rate manuals, endorsements, and duplicate policies. Its attorneys are a valuable resource and always readily available to answer questions, review files, and meet with clients on issues or concerns. The legal staff continues to field every-day title questions, licensing and appointment issues, indemnities, high liability, and audits. They work diligently on risk mitigation processes with our agents providing various outreach in education and access to title relevant materials.

They also keep our agents aware of statewide regulations and changes.

In 2003, Scott's group produced an updated and user-friendly rate manual and expanded its Advisory Councils to agents in Colorado and Utah. These Advisory Councils have been established for more than three years and, in the past, have served mostly the larger metropolitan agent. About a year ago, with the help of Dick Hansen, United General's VP of Marketing, Scott decided to try something different. In order to meet the unique challenges and needs of smaller, more rural agents, Scott and Dick visited agents throughout the western slope promoting their Agent Workshop idea — the response was overwhelming.

Al Pool, Rocky Mountain Region Agency Representative based in Utah, joined us in the spring of 2003 and has made tremendous progress in getting to know the region and its agents. Al also called upon the expertise of Dick Hansen and they teamed up to do several marketing seminars with our agents and our agents' customers. This has proven to be a powerful tool for helping our agents grow their market presence.

Under the leadership of Rick Alvarez, VP/Regional Manager based in Clearwater, the Florida Region has also maintained and grown its agency base and revenues. Throughout 2003, Rick, with 35 years in the industry, and his seasoned team of professionals have concentrated on supporting the smaller markets. While they continue to help all their agents grow and succeed, the agents in rural counties and outlying communities are still providing full service to their customers and rely on United General's expertise everyday. United General has the ability to truly partner and help these agents produce a quality product. Since the full service agent is still performing all title functions, they depend on Rick's team to help them compete, grow, and improve their business operations. They rely on United General's Counsels for their quick response and sound advice, as well as Rick's marketing team for seminars and support. The Florida Region is a terrific example of what United General provides its agents across the country—personal, hands-on support from a team of experts who truly care about the customer.



**WE HAVE THE VISION, CREATIVITY, AND SKILLS TO MAKE IT HAPPEN.**

*At United General, we partner, support, and work hand in hand with our agents to help them grow and prosper. We truly care about our agents—and we believe you will not find this kind of support with any other underwriter.*

**United General is currently licensed in the following states and/or jurisdictions:**

- |                      |                |                |
|----------------------|----------------|----------------|
| Alabama              | Kentucky       | Oregon         |
| Arizona              | Louisiana      | Pennsylvania   |
| Arkansas             | Maryland       | South Carolina |
| California           | Mississippi    | Tennessee      |
| Colorado             | Missouri       | Texas          |
| Delaware             | Nebraska       | Utah           |
| District of Columbia | Nevada         | Virginia       |
| Florida              | New Jersey     | Washington     |
| Georgia              | New Mexico     | West Virginia  |
| Idaho                | New York       | Wisconsin      |
| Illinois             | North Carolina | Wyoming        |
| Indiana              | Ohio           |                |
| Kansas               | Oklahoma       |                |

**CATIC and ATIF are licensed in the following states:**

- |             |               |                |
|-------------|---------------|----------------|
| Alabama     | Maine         | New Jersey     |
| Arkansas    | Maryland      | North Carolina |
| Connecticut | Massachusetts | North Dakota   |
| Florida     | Michigan      | Rhode Island   |
| Georgia     | Minnesota     | South Carolina |
| Illinois    | New Hampshire | Vermont        |
| Indiana     |               |                |

The Central Region, lead by Paul Moran, Senior VP/Central Divisional Manager, had two primary issues to focus on in 2003—build its initial agency network in the newly licensed state of Wisconsin and stabilize its agency positions in Illinois and Indiana. In 2003, 17 new agents were appointed in Wisconsin. Each started writing policies and remitting premiums. Jim Marlin, Wisconsin State Manager and Underwriting Counsel, established the Region's main location in Milwaukee in January and immediately established United General as the primary agent-friendly national underwriter in Wisconsin. Joe McGinnis, Division Counsel, based in the Lombard, Illinois office continued to serve and grow the Illinois and Indiana markets. By the close of 2003 the Central Region had exceeded its revenue forecast and closed out an exceptional year. Plans for 2004 include the addition of an Agency Sales Representative to serve Illinois and Indiana, the establishment of the Region's first Advisory Council, and the continued work of licensing in Minnesota.

*"I have been extremely impressed and amazed with United General. I was shopping for a new title company, and found the expertise, speed and quality of UGTIC to be something close to miraculous. Not to mention the personal touch I received in order to make sure I had what I needed when I needed, which in turn allows me to give my clients the best possible service."*

— Alanna Feddick  
Feddick & Associates  
Marshfield, Wisconsin





## Responsive Support.

*We're always at the drawing board — discovering and developing better ways to do business and enhance services.*

### **We're Partners — your goals are our goals.**

Each United General office provides outstanding support services to their agents and customers on an ongoing basis. Throughout 2003, we developed and refined our national Advisory Council meetings where agents have an opportunity to share best practices, discuss challenges in the market, and brainstorm ways of working as a team to improve profitability and customer service. This very successful program is designed to address issues critical to the title industry, as well as to the survival of the independent agent. Our agency support staff conducted educational seminars and workshops; provided responsive and superior underwriting support; and helped agents refine marketing programs designed to attract new business, balance revenue streams, overcome marketplace challenges, and recruit employees. We helped agents with ABA and Joint Venture formation. We took the extra steps to become approved providers for Mandatory Continuing Education courses in many different states. We met with agents' lender clients to discuss issues and to help expedite the lending process. And we continued to be involved with our State Land Title Associations and proactively address issues concerning the industry and the independent agent. Last year, we implemented a group purchasing account with UPS and offered our agents United General's discounted rate. In some cases, agents saved 45% off UPS' published shipping rates.

### **We earn your business based on service, skill, and expertise.**

By partnering with our agents, we continue to build a strong and stable agency base ready to serve the consumer, real estate community, and lending professional. Whether it is the refinance of a single-family home, a 1031 Exchange, or a complex commercial transaction, you may rest assured you are receiving the best possible service from some of the most knowledgeable people in the industry. Here are some terrific examples of how we partner with our agents and customers everyday:

Jacquie Murphy, VP / New York Regional Manager, and her solid staff of industry professionals have continued to grow marketshare and

go above and beyond to serve their agents. They experienced another exceptional year through hard work and dedication to meeting their customers needs. Staff members serve on various committees of the New York State Land Title Association and the Title Insurance Rate Service Association (TIRSA). They have successfully used Dick Hansen, Ph.D., United General's VP of Marketing, for one-on-one sessions with agents, lenders, and real estate agents on improving sales skills, developing marketing plans and strategies, growing marketshare, and improving their bottom line. Danny Tyson, NY Agency Manager, helped a number of agents form ABA's and, without exception, each has met or exceeded profit projections. A United General agent in New York closed on a \$68 million transaction and had the opportunity to work with Ed Norton, VP/Senior Regional Counsel, who kept the transaction moving smoothly along. Ed has more than 40 years as a title attorney and is recognized as one of the leaders of the industry. Marvin Bagwell, VP/Eastern Divisional Manager, continued to work diligently to ensure that the region's seminars were approved for continuing education credits. His knowledge and expertise have proven to be invaluable to agents and United General. Marvin is Past President of the New York State Land Title Association and current President of TIRSA.

The Maryland office continued to assist United General agents by being proactive on legislative and regulatory matters impacting our industry. John Kosogof, VP/Maryland Regional Manager, and his staff provided up to the minute information on the HUD proposals for RESPA reform and provided congressional contact information to assist lobbying efforts. The Maryland office continued its program of helping agents improve office efficiencies, while at the same time reduce risk through workflow analysis. This entails a review of an agent's operations and creation of a timeline for completing tasks, resulting in cost and time savings. Many agents also took advantage of the technology audits provided by United General wherein a computer tech reviews the technology being used by the agent and provides a plan for making the environment safer and more efficient. New in 2003, Maryland started a program where banks performed their larger agents' escrow reconciliations on a daily basis. This process not only saved the agent time and money, it reduced risk for the agent, lender, and United General.

The Georgia office continued its highly successful advisory council program in 2003. The quarterly meetings were attended by close to a dozen proactive agents. Topics included the unauthorized practice of law, fraud, RESPA reform, the Patriot Act, electronic recording, electronic file scanning, and the Georgia Mutual Indemnity Agreement. At one meeting, Dr. Arthur Ferdinand, Fulton County Tax Commissioner, addressed the group and provided some valuable insight that should result in a reduction of tax-related claims. Dick Hansen, VP of Marketing for United General, conducted timely seminars on relationship marketing and credibility power. At one event, twelve attorneys and three paralegals were in attendance. Immediately following the powerful presentation, nine attendees asked Dr. Hansen to come back and meet with them individually for one-on-one personal coaching.

United General's Great Lakes Region, lead by Regional Manager Pete Huston, significantly strengthened relationships with their existing agency base and expanded United General's presence in Ohio and Pennsylvania through the addition of numerous new title agents. This talented team held numerous credit seminars throughout the Region and assisted their agents in marketing to their clients. Instead of only holding training seminars for agents, they conducted workshops and other programs with the agents' lender and Realtor® clients as well. They assisted agents in forming ABA's by consulting with them on RESPA and other operational issues. And they continued to work on co-marketing with their agents, assisting their efforts to gain market share.

The South Central Region developed a hip new marketing program, "The Next Big Thang" which took this region's agents by storm. For instance, at an event held in Dallas, about 40 agents traveled from various parts of Texas, Oklahoma, New Mexico, and Louisiana to take part in this 2-day workshop. VP/Agency Managers, Sally Veters, Pam Rodgers, and Mary Ann Howard, developed the program with the support of VP/Regional Manager, Jay Tucker. This energetic trio presented the program, brainstormed, encouraged group participation, and shared ideas on how to market to real estate agents in this ever changing environment. The response has been tremendous and the ladies in charge of this timely and high-spirited workshop may soon find themselves on the road. United General offices across the country are interested in staging this event locally. Stay tuned for more on "the Next Big Thang."



## Innovative Solutions.

*Worthy goals and partnering with our agents have continually opened the window of opportunity.*

### **We continue to enhance and develop technology solutions in order to better serve our agents and customers.**

United General Title Insurance Company has made terrific strides in developing technology solutions designed to improve our agents' efficiencies and productivity. Throughout the past year, we worked with software vendors across the country to coordinate the modifications necessary to make electronic remittance easier and faster for our agents. As a result, SMS, First Data Systems, RamQuest, Magram Computer Services LLC (TACS Software), H.B.G. Systems, Inc. (custom software products), LandTech, SoftPro, and TurboTitle have modified their programs to allow United General agents to produce data files via their software—all with a simple click of a mouse. Agents can submit remittance files via our secure Internet website by simply attaching a file and clicking "Send File." It's that easy. And best of all—it's directly uploaded into our system without duplicative data entry.

Agents not using one of the software packages listed above can use the online remittance program by using state specific remittance templates posted on our website. With the availability of these spreadsheets, any agent with Excel 2000 or greater can participate in the program and take advantage of the automated calculations within the templates.

This simple method of remitting policy information can save agents countless hours.

### **Other tasks made easier...**

Other technology advances include enhancements to our online forms ordering system. It gives agents the ability to order forms via the web, thereby eliminating the manual request system. Agents can check forms inventory and usage, view available forms, and submit form order requests online through United General's website at [www.ugtic.com](http://www.ugtic.com).

Throughout 2003, we also continued to refine and promote a program which gives United General agents the ability to produce Insured Closing Letters (also known as Closing Service Letters, Closing Protection Letters, or Insured Closing Service Agreements) online. This system makes letter production quick and easy. It improves the closing process by decreasing letter turnaround time and provides the agent with greater control during tight closing schedules.

### **We believe in thinking outside the box.**

With significant skill and determination, United General delivers services designed to enhance our agents' productivity. We focus on what our agents need in order to prosper and meet the challenges ahead.

When United General joined forces with Connecticut Attorneys Title Insurance Company (CATIC) and Attorneys' Title Insurance Fund (The Fund) to create RealAlliance, the goal was to provide independent title agents with the tools they needed to compete with the direct operations of national underwriters. Since then, RealAlliance has matured and evolved into an organization that enables the independent title agent to thrive in an era of technological change, industry consolidations, and regulatory uncertainty.

### **Helping agents conduct business nationally through RealAlliance®**

RealAlliance is a national electronic partnering network which offers an online transaction management tool (RA-Connect<sup>SM</sup>) and a variety of programs and resources which support independent agents' business operations. There are now 250 agents across the country taking advantage of this system. As the agent network expands, the number of orders routed through RA-Connect has increased dramatically, hitting a high of more than 500 orders a month in early 2004.

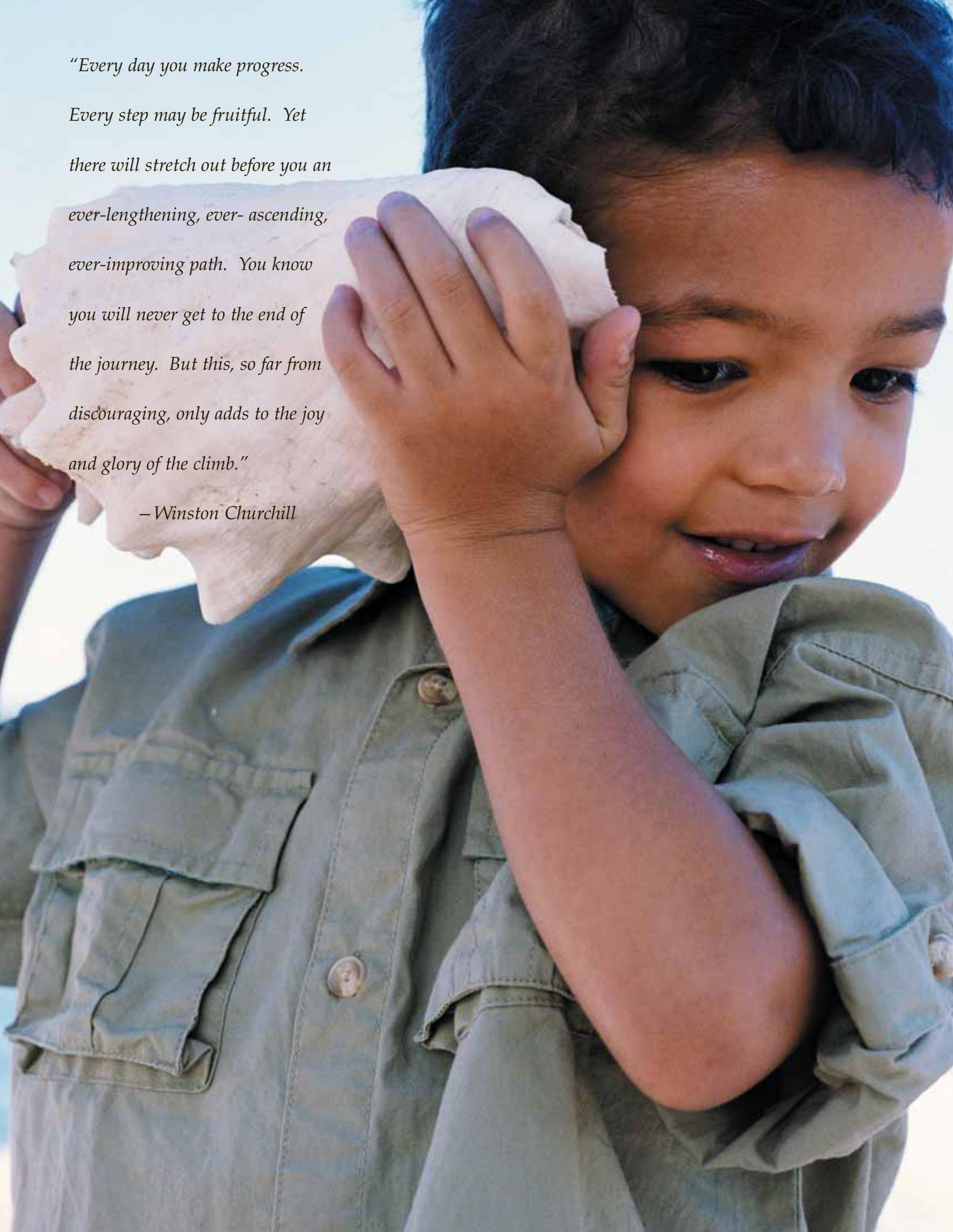
### **Here are some highlights:**

- ▶ RealAlliance, via RA-Connect, helps agents provide their customers with quality service across the country. If an agent has a client with a deal in another part of the country, that agent can easily monitor the transaction and provide added-value to that client. Similarly, those agents receiving orders from lenders and others can obtain business that they might not otherwise be able to service because of geographic limitations. The ability to access RA-Connect online and RA-Connect's compatibility with loan origination software allow lenders to send orders to agents easily and efficiently.
- ▶ RealAlliance, through RA-Connect, allows agents to check the status of transactions 24/7 from anywhere there is an Internet connection. This same functionality allows the lender, Realtor®, or any other entity involved in the transaction to check the status of the order online. It reduces the number of phone calls and faxes and allows agents and their support staff to focus on completing the transaction.
- ▶ RealAlliance offers more than transaction management services. RealAlliance also provides a number of affiliated technology services including discounted web hosting and web development services, consulting, and discounts on software products such as SoftPro. By providing business consulting on the practical application of technology, RealAlliance is able to further enhance an agent's business model — often increasing efficiency and enhancing customer service.

*RealAlliance continues to expand its suite of services to enhance the way independent title agents do business. For more information or to sign up, visit [www.realalliance.biz](http://www.realalliance.biz) or call your local United General representative.*



Vice President of Marketing, Dick Hansen, Ph.D., headlined a sales and marketing seminar organized by Madison Title Agency in conjunction with United General's Danny Tyson, NY Agency Manager. Held at the Chrysler Building in mid-town Manhattan, Madison's entire sales staff attended the event. Dr. Hansen related how this group of seasoned and new sales account executives could turn their everyday experience into success. The seminar was a smashing success as evidenced by the attendees' post-seminar comments and by Madison Title taking up Dr. Hansen on his offer to conduct individual coaching sessions. Dr. Hansen also volunteered to conduct additional "Credibility Power" seminars for Madison clients. Two months later, Dr. Hansen came to Madison's Garden State headquarters in New Jersey to conduct additional seminars for Madison's mortgage broker clients, as well as one-on-one coaching sessions for six Madison sales account executives. Dr. Hansen's inspiring and informative workshop presented the keys to developing expertise into a marketable asset. He helped each participant map out a plan to put Credibility Power into motion in order to increase business. Not long after the seminars, attended by more than 50 Madison mortgage broker clients, Madison reported an increase in business from a number of those clients. They also expressed great interest in Dr. Hansen keeping Madison Title as a permanent stop on his ongoing nationwide Credibility Power tour.

A close-up photograph of a young child with dark hair and skin, wearing a green button-down shirt. The child is holding a white, textured cloth or paper to their face, partially covering their eyes and nose. The child has a slight smile and is looking towards the right. The background is a bright, out-of-focus sky.

*“Every day you make progress.*

*Every step may be fruitful. Yet*

*there will stretch out before you an*

*ever-lengthening, ever- ascending,*

*ever-improving path. You know*

*you will never get to the end of*

*the journey. But this, so far from*

*discouraging, only adds to the joy*

*and glory of the climb.”*

*— Winston Churchill*



**As a team, we strive to make a difference —everyday.**

*To help make the world a better place. It is the most worthwhile goal we can aspire to.*

United General Title Insurance Company has made a commitment to a school called Children's Outreach Project (COP) — and this commitment has turned into a mission for the employees of United General. In 2003, United General's Denver office raised money and purchased new playground equipment for the school. United General also helped organize and sponsor the school's annual golf tournament which helped raise more than \$17,000 for special needs programs. Over the past few years, United General has helped raise more than \$200,000 for Children's Outreach Project.

COP is an early childhood education and child-care center in Colorado — but it is so much more than that. It is a critical community resource and it has done some amazing work with children and their families. For instance, last year, it was able to move 65% of the children who received speech pathology services into the typical range after only one year of intervention. Children with disabilities who receive early intervention services show significant developmental progress a year later, and families report increased confidence in their ability to deal with their child, according to the Department of Education's 24th annual report to Congress on the condition of special education. The report, "To Assure the Free Appropriate Public Education of all Children with Disabilities," cites several sources, including the department's ongoing National Early Intervention Longitudinal Study (NEILS).

## **Children thrive there.**

Children thrive at COP because they see they are valued and therefore believe in themselves — they believe they are capable of great things. The values of COP are inclusion, respect for the individual, and dedication to the whole child. It's motto is, "it is better to build children than to repair adults" and for nearly 33 years, the school has lived by its commitment to nurture and guide students towards a productive and positive future. It strives to offer an integrated, quality, early childhood and kindergarten education to typical, accelerated, special needs and developmentally delayed children in the area of north metro Denver. In addition to the standard curriculum designed to develop cognitive, academic readiness, social, and self-help skills, the school provides various therapeutic services such as Speech Language, Occupational, and Cognitive Therapy. Student to Teacher ratios are

kept well below State requirements for all age groups, ensuring that children receive individualized attention and specialized assistance with academic and social learning.

## **One child at a time.**

For 4-year old COP student Gabriel Janke and his family, COP has made a tremendous difference. Gabriel was born with a large tumor and since that time, has endured six surgeries, congestive heart failure, and a stroke. His special needs and circumstances lead his mother to seek out an alternative environment. She wanted a school that could help him feel included and supported, self confident, and loved. She wanted a place that would nurture and believe in him so that he could believe in himself. She found all that and more at COP. Since Gabriel started at the school, he has learned to walk, run, socialize with other children, use scissors, and draw shapes. And he happily learns more each day. Cases such as these are common throughout COP's 33-year history.

## **Our employees make a difference in their communities everyday.**

United General employees continually do their best to give back to the communities in which they live. For instance, our New Mexico VP/Agency Manager, Mary Ann Howard, has been involved with Casa Esperanza since 1987 and, in 2003, served her second term as Board Chair for the organization. Casa Esperanza, House of Hope in Spanish, was founded in 1987 by the Board of Advisors to the University of New Mexico Cancer Center and the Realtor Association of New Mexico as a tax-exempt charitable organization. It serves as a lodging facility for cancer patients and their families who must travel and undergo treatment at Albuquerque cancer treatment facilities.

Since opening it's doors in 1992, over 15,000 families have been served by Casa Esperanza. This amazing facility can accommodate 28 families at a time with family-size bedroom suites, four separate fully-equipped kitchens, areas for counseling, recreation area for children and is designed for both long and short term stays. Mary Ann has spent thousands of hours drumming up support for Casa Esperanza and has helped raise hundreds of thousands of dollars.

Through Mary Ann, United General has also played a vital role by participating in the annual fundraiser and this year helped provide the Thanksgiving dinner for the residents.

In 2003, instead of exchanging gifts at Christmas, the employees in the Southeast Region Office made a cash donation to the Anna Crawford Children's Center in Cherokee County, Georgia. The center helps child victims of physical and sexual abuse begin the healing process, and also helps break the cycle of future abuse. The region was also involved in the 2003 Lend-A-Hand Project, where the Mortgage Banker's Association of Georgia coordinates the building of a home for a family in dire need. The project is funded through sponsorships and contributions, and the work is performed by volunteers.

Over the last few years, the Rocky Mountain region has helped raise funds and participated in agent TitleOne's annual golf tournament benefiting the Children's Home Society of Idaho. "TitleOne Corp. provides a fresh and progressive approach to the title insurance industry—which is why we immediately bonded with United General," states Title One President, Mark Tidd. "We have similar philosophies and we are each guided by an entrepreneurial spirit. We are also both very interested in giving back to our communities." Both companies are dedicated to "raising the bar" in service and support. This annual golf tournament has given TitleOne and United General the opportunity to support a very worthy cause. The Children's Home Society of Idaho is a private, non-profit facility that provides mental health services, counseling, education, and training to Idaho children and their families. Payment for these services is based on the family's ability to pay and many of the expenses are covered through donations. The golf tournament raised more than \$45,000 for the facility over the last two years.

## **We dream big because we believe in what we do.**

Everything we do on a daily basis — our commitment to our work, contributions to our communities, and devotion to our families — makes us stronger and more united. We believe the future is bright — and we want to do our part, everyday, to help make our world a better place. It is the most worthwhile goal we can aspire to.



**Vision, integrity, and skill continue to guide us.**

*By adhering to our principles and remaining true to our goal of providing the highest levels of service and support to our agents and customers, we have experienced impressive success.*

**United General is one of the best risk-managed title insurers in the industry.**

As a rapidly growing participant in the industry, United General Title Insurance Company understands why lenders who finance commercial and industrial projects valued at hundreds of millions of dollars require associations with title insurance companies possessing sizable and stable financial statements. United General recognizes that a title insurance company must have sufficient reserves to cover retained liability and a strong financial position. We accomplish this through proper management of our capital and surplus, maintenance of appropriate reserve levels, and our reinsurance agreement

with Old Republic National Title Insurance Company. This reinsurance agreement provides significant financial support to United General's policies. We self limit our single risk exposure to a maximum of 20% of our statutory capital and surplus.

**United General's Financial Stability Rating raised in early 2004.**

United General Title Insurance Company has undergone rigorous, quantitative analysis. In 2004, Demotech, Inc., a financial analysis and actuarial firm independent of the insurers it reviews, raised United General Title Insurance Company to the following:

**A' A Prime**  
*Unsurpassed. Strongly recommended for commercial real estate transactions.*

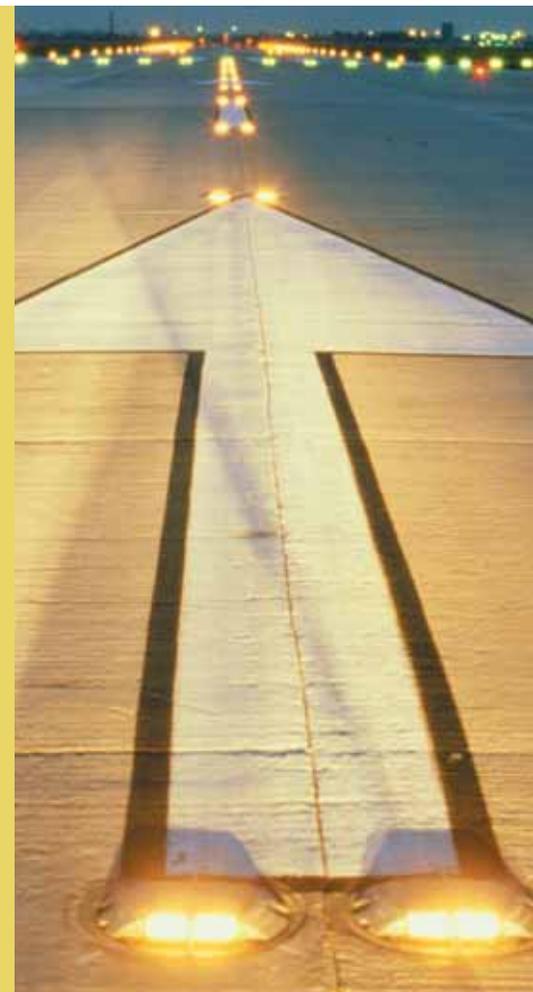
*Demotech's review states, "United General Title Insurance Company has experienced impressive success. The future of the industry will be controlled by diversification of products, technology, and well-planned strategic alliances. United General Title Insurance's parent company, United General Financial Services, Inc., is focusing its resources with these factors in mind. All of these are clear indicators that the direction of United General Title Insurance Company is a strong and healthy one that will ensure its continued success."*

**Selected financial information**

**United General Financial Services and Subsidiaries**

Income Statement Data:	Year Ended December 31, 2003
Net title insurance premiums earned	\$ 256,206,966
Service fees	2,180,222
Interest and other investment income	1,539,323
Total revenue	259,926,511
Cost of revenue	(233,952,870)
General and administrative expenses	(17,902,684)
Other income	4,413,626
Income before federal income taxes and extraordinary item	12,484,583
Net income	8,067,809

Balance Sheet Data:	As of December 31, 2003
Investments	\$ 47,972,244
Cash and cash equivalents	762,590
Total assets	65,370,614
Reserve for losses and loss adjustment expenses	32,023,617
Total liabilities	45,671,677
Stockholders' equity	19,698,937





**One agent,  
one employee,  
one customer at a time.**

*"Our company works with a number of insurance companies, but none of them compare to United General Title Insurance Company. Their professionalism is at the highest level. From customer service to the underwriting department, everyone is prompt and courteous. Whether it be a simple question or serious title issue, United General responds with extreme promptness, as well as a written reply within hours of initial contact. No other underwriter provides us with a written response. Also, in order to keep our company abreast of the fast and ever-changing pace of the business, United General supplies new regulation material as it is implemented. United General has also made its services conveniently available online, which provides immeasurable expediency to our staff. Overall, United General provides strong underwriting, excellent response, and sound policies."*

— Richard T. Smith, President & Owner  
Vista Title Company, Atlanta, Georgia

*United General certainly surpasses the other underwriters we have been associated with, especially in terms of its support staff. We are constantly amazed at the accessibility and responsiveness of United General's staff attorneys. Supplies are delivered the day after ordering and aid is available for developing marketing and business strategies. We have never been questioned about the solvency or identity of United General, and we have found that its policies are readily accepted in multi-million dollar transactions by all lending institutions we deal with."*

— Frank C. Bolton, EVP & Chief Counsel,  
Title Company of Denver

## United General Financial Services, Inc.

### Corporate Office

999 18th Street, Suite 3400 • Denver • Colorado 80202  
Tel: (303)292-4848 • (800)999-3470 • Fax: (303)297-3163 • (800)523-7640

**website: [www.ugtic.com](http://www.ugtic.com)**

## United General Title Insurance Company

### Eastern Division

15950 Bay Vista Drive, Suite 230  
Clearwater, Florida 33760  
Tel: (727)530-3058 (800)476-4365  
Fax: (727)530-9749

11095 Houze Road, Suite 100  
Roswell, Georgia 30076  
Tel: (770)641-6200 (800)964-1832  
Fax: (770)641-1922

51 Monroe Plaza 4 East  
Rockville, Maryland 20850  
Tel: (301)315-0000 (800)508-0363  
Fax: (301)315-0074 (800)508-0365

54 Shrewsbury Avenue, 2nd floor  
Red Bank, New Jersey 07701  
Tel: (732)741-9900 (888)500-0044  
Fax: (732)741-0800

Three Barker Avenue, 1st floor  
White Plains, New York 10601  
Tel: (914)287-0000 (888)264-8484  
Fax: (914)287-2082

### Central Division

151 East 22nd Street  
Lombard, Illinois 60148  
Tel: (630)268-7844 (888)323-6393  
Fax: (630)268-9622

7443 Winding Way  
Brecksville, Ohio 44141  
Tel: (440)746-0602 (800)591-1151  
Fax: (440)746-0613

Suite 100, Frosty Valley Office Complex  
2652 Hidden Valley Drive  
Pittsburgh, Pennsylvania 15241  
Tel: (724)941-3290 (877)472-9117  
Fax: (724)941-0782

One Neshaminy Interplex, Suite 106  
Trevose, Pennsylvania 19053  
Tel: (215)244-2190 (888)548-4853  
Fax: (215)244-2193

13750 San Pedro Drive, Suite 715  
San Antonio, Texas 78232  
Tel: (210)499-4545 (800)204-9090  
Fax: (800)204-6614

Fort Worth, Texas: (800)349-2702  
Spring, Texas: (800)747-4208  
Albuquerque, New Mexico: (800)272-8744

338 N. Milwaukee Street, Suite 206  
Milwaukee, Wisconsin 53202  
Tel: (414)727-5858 (800)895-4890  
Fax: (414)727-5860 (800)895-0603

### Western Division

231 E. Alessandro Blvd., Suite A-404  
Riverside, California 92504  
Tel: (909)789-7527 (888)848-7767  
Fax: (909)789-7530 (888)848-7768

Townsquare Title Services Corporation  
999 18th Street, Suite 3040  
Denver, Colorado 80202  
Tel: (303)291-1010 (800)858-3854  
Fax: (303)291-0161



*Driven by an independent spirit.*