

Report of the Examination of
Ameriprise Insurance Company
De Pere, Wisconsin
As of December 31, 2018

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State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tony Evers, Governor
Mark V. Afable, Commissioner

Wisconsin.gov

September 25, 2019

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Nathan Houdek
Deputy Commissioner of Insurance
State of Wisconsin
125 South Webster Street
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Deputy Commissioner:

In accordance with your instructions, a compliance examination has been made of the affairs and financial condition of:

AMERIPRISE INSURANCE COMPANY
De Pere, Wisconsin

and this report is respectfully submitted.

I. INTRODUCTION

The previous examination of Ameriprise Insurance Company (AIC or the company) was conducted in 2014 as of December 31, 2013. The current examination covered the intervening period ending December 31, 2018, and included a review of such 2019 transactions as deemed necessary to complete the examination.

The examination was conducted using a risk-focused approach in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook*. This approach sets forth guidance for planning and performing the examination of an insurance company to evaluate the financial condition, assess corporate governance, identify current and prospective risks (including those that might materially affect financial condition, either currently or prospectively), and evaluate system controls and procedures used to mitigate those risks.

All accounts and activities of the company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by

management and evaluating management's compliance with statutory accounting principles, annual statement instructions, and Wisconsin laws and regulations. The examination does not attest to the fair presentation of the financial statements included herein. If during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately at the end of the "Financial Data" section in the area captioned "Reconciliation of Surplus per Examination."

Emphasis was placed on those areas of the company's operations accorded a high priority by the examiner-in-charge when planning the examination.

The company is annually audited by an independent public accounting firm as prescribed by s. Ins 50.05, Wis. Adm. Code. An integral part of this compliance examination was the review of the independent accountant's work papers. Based on the results of the review of these work papers, alternative or additional examination steps deemed necessary for the completion of this examination were performed. The examination work papers contain documentation with respect to the alternative or additional examination steps performed during the course of the examination.

Independent Actuary's Review

An independent actuarial firm was engaged under a contract with the Office of the Commissioner of Insurance. The actuary reviewed the adequacy of the company's loss and loss adjustment expense reserves. The actuary's results were reported to the examiner-in-charge. As deemed appropriate, reference is made in this report to the actuary's conclusion.

II. HISTORY AND PLAN OF OPERATION

The company was organized in 2005 as Ameriprise Insurance Company. The company was capitalized on January 17, 2006, with surplus of \$45.7 million. On January 26, 2006, the company was issued a certificate of authority and was licensed to write business in the state of Wisconsin. IDS Property Casualty Insurance Company (IDSPC) is the direct parent company of Ameriprise Insurance Company. The ultimate parent of IDSPC and AIC is Ameriprise Financial, Inc. (AMPF), a publicly traded diversified financial services company domiciled in Delaware.

The company has no employees of its own. All day-to-day operations are conducted with staff provided by IDSPC in accordance with the business practices and internal controls of that organization. Expenses are allocated in accordance with an intercompany service and cost-sharing agreement. Written agreements with affiliates are further described in section IV of this report captioned "Affiliated Companies."

On April 12, 2019, American Family Insurance Mutual Holding Company (AFIMHC) and AmFam, Inc., filed a request for approval of the acquisition of control of IDSPC and AIC (referred together as Ameriprise Home & Auto [AAH]) by indirectly acquiring 100% of the issued and outstanding capital stock of IDSPC. The acquisition was approved by the Wisconsin Office of the Commissioner of Insurance (OCI) on August 20, 2019. IDSPC and AIC became indirect wholly owned subsidiaries of AFIMHC effective October 1, 2019.

In 2018, the company wrote direct premium in the following states:

New York	\$21,668,402	64.14%
Georgia	11,602,441	34.34
South Carolina	<u>513,729</u>	<u>1.52</u>
Total	<u>\$33,784,572</u>	<u>100.00%</u>

The company is licensed in 38 states and the District of Columbia. The company is not licensed in California, Connecticut, Florida, Hawaii, Idaho, Louisiana, Minnesota, New Hampshire, New Jersey, North Carolina, Tennessee, and Washington.

The company exclusively offers personal auto insurance coverage in New York and Georgia and homeowner's coverage in South Carolina. Policies are sold on a direct basis to

retail clients through IDSPC's co-marketing alliances such as Costco Wholesale Corporation. The company cedes 100% of its business to IDSPC pursuant to a reinsurance agreement; see section V of this report captioned "Reinsurance." All business is underwritten with the same guidelines as the parent.

The following table is a summary of the net insurance premiums written by the company in 2018. The growth of the company is discussed in the “Financial Data” section of this report.

Line of Business	Direct Premium	Reinsurance Assumed	Reinsurance Ceded	Net Premium
Homeowner’s multiple peril	\$ 513,729	\$	\$ 513,729	\$
Private passenger auto liability	22,013,002		22,013,002	
Auto physical damage	<u>11,257,841</u>	—	<u>11,257,841</u>	—
Total All Lines	<u>\$33,748,572</u>	<u>\$0</u>	<u>\$33,784,572</u>	<u>\$0</u>

III. MANAGEMENT AND CONTROL

Board of Directors

The board of directors consists of seven members. All directors are elected annually to serve a one-year term. Officers are elected at the board's annual meeting. Members of the company's board of directors may also be members of other boards of directors in the holding company group. The board members currently receive no compensation for serving on the board.

Currently, the board of directors consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
Thomas Botsford** Suamico, Wisconsin	Senior Vice President – Operations IDSPC	2019
James Brefeld Jr. Wayzata, Minnesota	Senior Vice President and Treasurer Ameriprise Financial, Inc.	2019
Thomas Ealy Chicago, Illinois	President and Chief Executive Officer IDSPC	2019
Christopher Malone* North Grafton, Massachusetts	Senior Vice President and Lead Financial Officer IDSPC	2019
Brian McGrane Bloomington, Minnesota	Senior Vice President and Lead Financial Officer of Asset Management, Insurance & Annuities Ameriprise Financial, Inc.	2019
Joseph Sweeney New Canaan, Connecticut	President of Financial Planning, Products & Services Ameriprise Financial, Inc.	2019
Richard Yocius Libertyville, Illinois	Senior Vice President and Chief Actuary IDSPC	2019

* Resigned on March 11, 2019.

** Retired on September 27, 2019.

Officers of the Company

The officers serving at the time of this examination are as follows:

Name	Office	2018 Compensation
Thomas Ealy	President and CEO	\$40,614
Thomas Moore*	Secretary	0
James Brefeld Jr*	Treasurer	0
Thomas Botsford**	Vice President – Operations	34,257
Jennifer Drevs	Vice President – Product Management	17,826
Jon Gingrich	Vice President – Sales Auto & Home	19,022
Lisa Jossart	Vice President – Marketing	17,323
Carol Kammin	Vice President – Customer Service	15,570
Christopher Malone**	Vice President – Finance	24,637
Jason Manns**	Vice President – Claims	24,135
John Whalin	Vice President – Product Management AAH	15,148

*Mr. Moore and Mr. Brefeld are officers of Ameriprise Financial, Inc. No compensation is allocated to them for work performed for IDSPC.

** Mr. Malone left the company in March 2019. Gerald Dias was named as his replacement. Mr. Manns left the Company in September 2018. Eric Spencer was hired as his replacement. Mr. Botsford retired on September 27, 2019.

Committees of the Board

The company's bylaws allow for the formation of certain committees by the board of directors. The committees at the time of the examination are listed below:

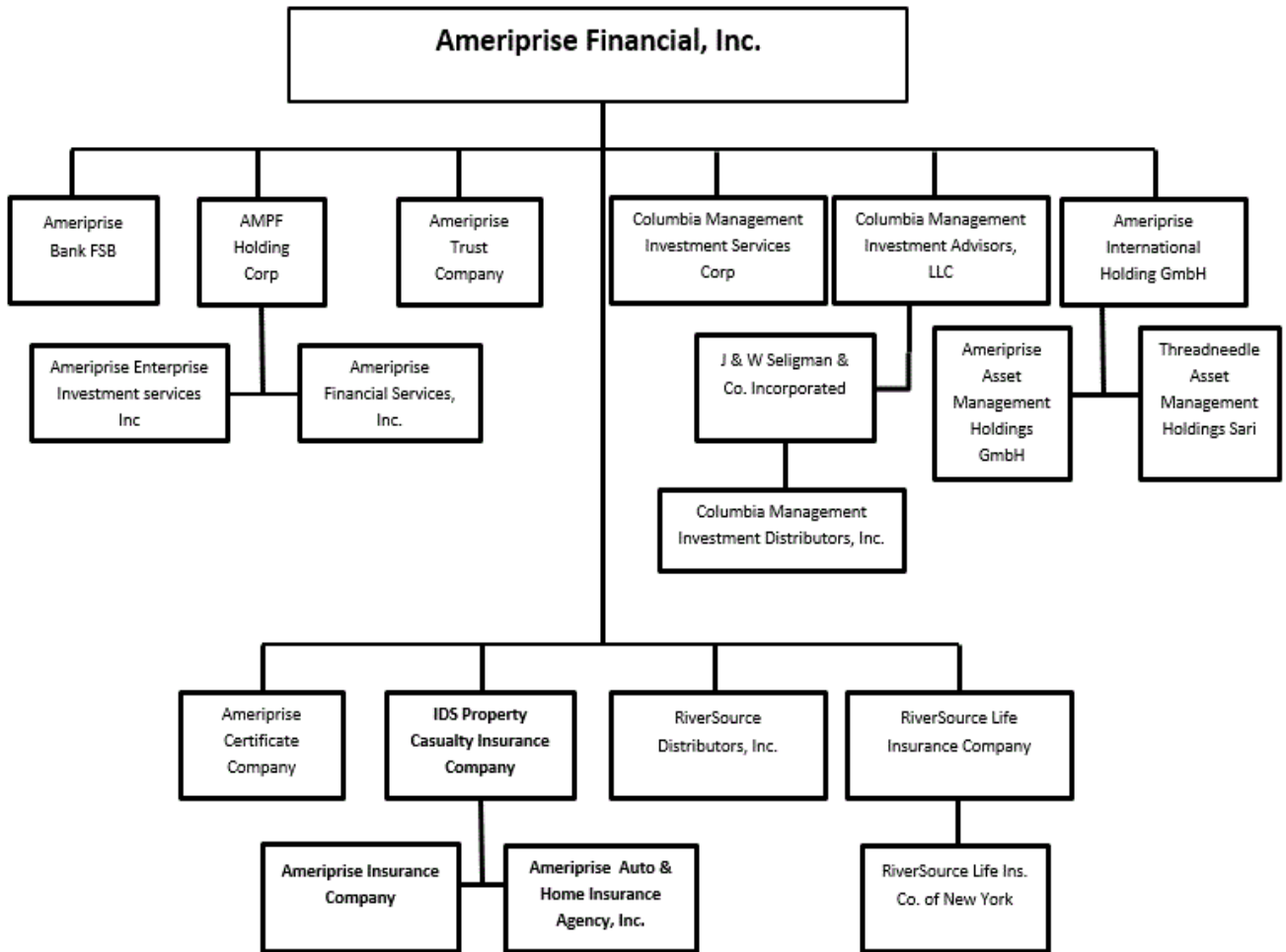
Investment Committee

Tom Ealy, Chair
Thomas Botsford
Christopher Malone

IV. AFFILIATED COMPANIES

Ameriprise Insurance Company is a member of a holding company system. The organizational chart below depicts the relationships among the affiliates in the group. This organizational chart is abbreviated due to the complexity of the group's structure; there are over 140 affiliated entities reported in the company's annual statement. A brief description of the significant affiliates follows the organizational chart.

**Organizational Chart
As of December 31, 2018**



IDSPC and AIC became indirect, wholly owned subsidiaries of American Family Insurance Mutual Holding Company on October 1, 2019. AFIMHC is a Wisconsin mutual insurance holding company incorporated under Chapter 644 of the Wisconsin Statutes on January 1, 2017. AFIMHC's principal business is to operate as the ultimate parent and mutual

holding company for purposes of owning, directly or indirectly, the issued and outstanding shares of capital stock of, or otherwise controlling, its direct and indirect downstream subsidiaries and affiliates.

Ameriprise Financial, Inc.

Ameriprise Financial, Inc., provides financial planning, products, and services that are designed to be utilized as solutions for its clients' cash and liquidity, asset accumulation, income protection, and estate and wealth transfer needs. It operates through five segments: Advice & Wealth Management, Asset Management, Annuities, Protection, and Corporate & Other.

- The Advice & Wealth Management segment provides financial planning and advice, as well as full-service brokerage and banking services, primarily to retail clients, through affiliated financial advisors.
- The Asset Management segment provides investment advice and investment products to retail, high net worth and institutional clients on a global scale through Columbia Threadneedle Investments. Note that reference to the group of companies in Ameriprise Asset Management Holdings, GmbH, and Threadneedle Asset Management Holdings Sarl is referred to as "Threadneedle" while "Columbia Threadneedle Investments" refers to both Columbia Management and Threadneedle and reflects the global manner in which they operate asset management business in line with the Columbia Threadneedle Investments brand. The Threadneedle group of companies is the primary provider of non-U.S. investment management products and services.
- The Annuities segment provides RiverSource variable and fixed annuity products to individual clients. The RiverSource Life companies provide variable annuity products through advisors, and the fixed annuity products are distributed through both affiliated and unaffiliated advisors and financial institutions.
- The Protection segment provides a variety of products to address protection and risk management needs of retail clients, including life, disability, income, and property-casualty insurance. AIC and its Direct Parent, IDSPC, are part of this segment.
- The Corporate & Other segment consists of long-term care business and net investment income or loss on corporate level assets, including excess capital held in subsidiaries and other unallocated equity and other revenues as well as unallocated corporate expenses.

As of December 31, 2018, the audited financial statements of Ameriprise Financial, Inc., reported assets of \$137.2 billion, liabilities of \$131.6 billion and shareholders' equity attributable to AMPF's direct or indirect controlling financial interest of \$5.7 billion. Operations for

2018 produced net income attributable to AMPF's direct or indirect controlling financial interest of \$2.1 billion.

IDS Property Casualty Insurance Company

IDSPC is the direct parent of Ameriprise Insurance Company. The company offers private passenger automobile coverage, homeowner's insurance, and umbrella products to the clients of non-related affinity partnerships, the largest of which is Costco Wholesale Corporation. It also markets personal lines products to its affiliated company clients at Ameriprise Financial Advisors and on the internet. Costco members represent approximately 70% of the company's premiums and 93% of new policy sales. The company is licensed in 50 states and the District of Columbia.

As of December 31, 2018, the audited financial statements of IDSPC reported assets of \$1.8 billion, liabilities of \$1.0 billion, and surplus of \$0.8 billion. Operations for 2018 produced net income of \$8.9 million.

Ameriprise Auto & Home Insurance Agency, Inc.

Ameriprise Auto & Home Insurance Agency, Inc. (Ameriprise Agency) was created by IDSPC to facilitate placement of insurance through partnerships for client coverages it does not directly write. Ameriprise Agency is appointed to act as the company's agent for the solicitation of potential insureds for the purchase of insurance.

As of December 31, 2018, the unaudited financial statements of Ameriprise Auto & Home Agency reported assets of \$5.5 million, liabilities of \$1.8 million, and shareholders' equity of \$3.7 million. Operations for 2018 produced net income of \$1.7 million.

Columbia Management Investment Advisers, LLC

In 2010, Ameriprise Financial, Inc., acquired the long-term asset management business of Columbia Management from Bank of America. Columbia Management Investment Advisers, LLC, serves as the investment adviser for the majority of funds in the Columbia Management family of funds and to U.S. and non-U.S. institutional accounts and private funds.

As of December 31, 2018, the unaudited financial statements of Columbia Management Investment Advisers, LLC, reported assets of \$897 million, liabilities of \$495 million,

and shareholders' equity of \$402 million. Operations for 2018 produced net income of \$287 million.

Ameriprise Financial Services, Inc.

Ameriprise Financial Services, Inc. (AMPFS) is a registered broker-dealer and registered investment adviser and is the primary financial planning and retail distribution subsidiary. The company is a wholly owned subsidiary of AMPF Holding Corporation, which in turn is a wholly owned subsidiary of Ameriprise Financial, Inc. As of December 31, 2018, the unaudited financial statements of Ameriprise Financial Services, Inc., reported assets of \$1.5 billion, liabilities of \$1.1 billion, and shareholders' equity of \$391 million. Operations for 2018 produced net income of \$459 million.

Agreements with Affiliates

Service and Cost Allocation Agreement

The company has a service and cost allocation agreement with IDSPC effective January 1, 2006. Under this agreement, IDSPC provides all services essential to the day-to-day operation of AIC as requested by AIC. IDSPC makes its employees available to AIC to perform services in connection with:

- administrative management, marketing, sales and advertising;
- policyholder service, claims processing, and contract issuance;
- actuarial, accounting, finance, audit, investment, underwriting, compliance, and legal service;
- technology, data processing, and communications;
- human resources and employee benefits; and
- any other activity deemed beneficial and necessary by AIC.

AIC reimburses IDSPC for expenses calculated to reflect only the actual value and cost to IDSPC for providing such services. Settlements of fees and expenses are made within 30 days of the end of each quarterly period of the fiscal year.

Federal Income Tax Sharing Agreement

Effective December 1, 2010, the company entered into a federal income tax sharing agreement. Under this agreement, Ameriprise Financial, Inc., files a consolidated U.S. federal income tax return that includes IDSPC, AIC, and other affiliates of the holding company group, whereby the parties allocate the federal income tax liability among the members of the

consolidated group using the “percentage method” of tax allocation described in Treasury Regulation Sections 1.1552-1(a)(2)(ii) and 1.1502-33(d)(3). All settlements under this agreement are made annually in cash within 30 days after the filing of the consolidated federal corporate tax return.

State Income Tax Sharing Agreement

Effective January 1, 2010, the company entered into a state income tax sharing agreement. Under this agreement, Ameriprise Financial, Inc., and its subsidiaries, including IDSPC and AIC, file combined, consolidated or unitary state income tax returns on behalf of the members of the consolidated or unitary group. A member’s portion of the tax liability of the group is allocated by multiplying the tax liability of the group by a fraction, the numerator of which is the separate return tax liability of the member, and the denominator of which is the sum of the separate return tax liabilities of all members. All settlements under this agreement are made annually in cash within 30 days after the filing of the consolidated state income tax return.

Investment Management Agreement

The company entered into an investment management and services agreement with RiverSource Investments, LLC, effective October 1, 2005. In 2010, Ameriprise Financial, Inc., acquired the long-term asset management business of Columbia Management from Bank of America and integrated this business with RiverSource Investments, LLC under a new name, Columbia Management Investment Advisers, LLC. Under this agreement, Columbia Management Investment Advisers, LLC acts as the company’s agent and attorney-in-fact with respect to its investment portfolio. Subject to the company’s board of directors, board-appointed investment committee, and investment guidelines, Columbia Management Investment Advisers, LLC has complete day-to-day discretionary control, including the power to make acquisitions and disposals of investments and issue instructions to brokers and custodians. Columbia Management Investment Advisers, LLC also provides asset-liability services with respect to the investments designed to assist IDSPC and AIC in managing the relationship between its assets and liabilities. The company compensates Columbia Management Investment Advisers, LLC

monthly an amount equal to allocated cost incurred by Columbia Management Investment Advisers, LLC, in the performance of its duties under this agreement.

Intercompany Agency Agreement

As mentioned in Section IV. Affiliate Companies, Ameriprise Auto & Home Insurance Agency, Inc., was created by IDSPC to facilitate placement of insurance through partnerships for client coverages it does not write directly. Effective December 31, 2005, the company entered into an agency agreement with Ameriprise Agency. Under this agreement, Ameriprise Agency is appointed to act as the company's agent for the solicitation of potential insureds for the purchase of insurance. IDSPC provides sales, servicing, accounting, compliance, audit, legal, and other general administrative services. Settlements of fees and expenses are made within 30 days of the end of each quarterly period of the fiscal year.

V. REINSURANCE

The company has a ceded reinsurance treaty with its direct parent, IDSPC, effective January 1, 2006, as amended February 1, 2010, and February 1, 2012. IDSPC reinsures policies of property and casualty insurance issued by AIC on a 100% quota share basis. Effective February 1, 2012, the treaty was amended to include an 18% ceding commission in consideration for the company's expenses for business ceded under the treaty. The treaty contains proper insolvency provisions.

Affiliated Assuming Contracts

Type:	100% Quota Share
Reinsurer:	IDS Property Casualty Insurance Company
Scope:	All business written by Ameriprise Insurance Company
Coverage:	100% of all losses incurred on business reinsured
Premium:	100% of all premiums on reinsured policies
Commission:	18% of direct premium written
Effective date:	January 1, 2006, and shall remain continuously in force
Termination:	Upon 12 months' prior written notice by either party

VI. FINANCIAL DATA

The following financial statements reflect the financial condition of the company as reported to the Commissioner of Insurance in the December 31, 2018, annual statement. Adjustments made as a result of the examination are noted at the end of this section in the area captioned "Reconciliation of Surplus per Examination." Also included in this section are schedules that reflect the growth of the company, NAIC Insurance Regulatory Information System (IRIS) ratio results for the period under examination, and the compulsory and security surplus calculation.

Ameriprise Insurance Company
Assets
As of December 31, 2018

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$45,798,312	\$	\$45,798,312
Cash, cash equivalents, and short-term investments	3,186,325		3,186,325
Investment income due and accrued	550,384		550,384
Net deferred tax asset	1,418	1,418	
Receivable from parent, subsidiaries, and affiliates	<u>1,420,785</u>	<u> </u>	<u>1,420,785</u>
Total Assets	<u>\$50,957,224</u>	<u>\$1,418</u>	<u>\$50,955,806</u>

Ameriprise Insurance Company
Liabilities, Surplus, and Other Funds
As of December 31, 2018

Other expenses (excluding taxes, licenses, and fees)		\$ 32,004
Taxes, licenses, and fees (excluding federal and foreign income taxes)		5,997
Current federal and foreign income taxes		10,829
Payable to parent, subsidiaries, and affiliates		<u>1,572,279</u>
Total Liabilities		1,621,110
Common capital stock	\$ 8,000,000	
Gross paid in and contributed surplus	37,726,474	
Unassigned funds (surplus)	<u>3,608,223</u>	
Surplus as Regards Policyholders		<u>49,334,697</u>
Total Liabilities and Surplus		<u>\$50,955,806</u>

**Ameriprise Insurance Company
Summary of Operations
For the Year 2018**

Underwriting Income

Deductions:

Other underwriting expenses incurred	\$ 684,039	
Total underwriting deductions		<u>\$ 684,039</u>
Net underwriting gain (loss)		(684,039)

Investment Income

Net investment income earned	1,605,315	
Net realized capital gains (losses)	<u>(397)</u>	
Net investment gain (loss)		1,604,919

Net income (loss) after dividends to policyholders but before federal and foreign income taxes		920,880
Federal and foreign income taxes incurred		<u>(65,331)</u>

Net Income		<u>\$ 986,211</u>
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Ameriprise Insurance Company
Cash Flow
For the Year 2018

Net investment income		<u>\$1,931,784</u>
Total		1,931,784
Commissions, expenses paid, and aggregate write-ins for deductions	\$685,391	
Federal and foreign income taxes paid (recovered)	<u>(73,635)</u>	
Total deductions		<u>611,755</u>
Net cash from operations		1,320,029
Proceeds from investments sold, matured, or repaid:		
Bonds	\$565,000	
Cost of investments acquired (long-term only):		
Bonds	<u>750,000</u>	
Net cash from investments		(185,000)
Cash from financing and miscellaneous sources:		
Other cash provided (applied)		<u>(10,260)</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		1,124,769
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>2,061,553</u>
End of Year		<u>\$3,186,322</u>

**Ameriprise Insurance Company
Compulsory and Security Surplus Calculation
December 31, 2018**

Assets		\$50,955,806
Less liabilities		<u>1,621,110</u>
Adjusted surplus		49,334,696
Annual premium:		
Lines other than accident and health	\$0	
Factor	<u>20%</u>	
Compulsory surplus (subject to a minimum of \$2 million)		<u>2,000,000</u>
Compulsory Surplus Excess (Deficit)		<u>\$47,334,696</u>
Adjusted surplus (from above)		\$49,334,696
Security surplus (140% of compulsory surplus, factor reduced 1% for each \$33 million in premium written in excess of \$10 million, with a minimum factor of 110%)		<u>2,800,000</u>
Security Surplus Excess (Deficit)		<u>\$46,534,696</u>

**Ameriprise Insurance Company
Analysis of Surplus
For the Five-Year Period Ending December 31, 2018**

The following schedule details items affecting surplus during the period under examination as reported by the company in its filed annual statements:

	2018	2017	2016	2015	2014
Surplus, beginning of year	\$48,347,434	\$47,310,566	\$46,221,752	\$45,136,613	\$43,958,129
Net income	986,211	1,035,713	1,084,716	1,082,027	1,048,590
Change in net deferred income tax	2,470	1,154	4,098	3,112	129,894
Change in nonadmitted assets	<u>(1,418)</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Surplus, End of Year	<u>\$49,334,697</u>	<u>\$48,347,434</u>	<u>\$47,310,566</u>	<u>\$46,221,752</u>	<u>\$45,136,613</u>

**Ameriprise Insurance Company
Insurance Regulatory Information System
For the Five-Year Period Ending December 31, 2018**

The company's NAIC Insurance Regulatory Information System (IRIS) results for the period under examination are summarized below. There were no unusual results.

Ratio	2018	2017	2016	2015	2014
#1 Gross Premium to Surplus	68%	72%	76%	79%	82%
#2 Net Premium to Surplus	0	0	0	0	0
#3 Change in Net Premiums Written	0	0	0	0	0
#4 Surplus Aid to Surplus	0	0	0	0	0
#5 Two-Year Overall Operating Ratio	0	0	0	0	0
#6 Investment Yield	3.3	3.3	3.4	3.5	3.8
#7 Gross Change in Surplus	2	2	2	2	3
#8 Change in Adjusted Surplus	2	2	2	2	3
#9 Liabilities to Liquid Assets	3	4	4	4	4
#10 Agents' Balances to Surplus	0	0	0	0	0
#11 One-Year Reserve Development to Surplus	0	0	0	0	0
#12 Two-Year Reserve Development to Surplus	0	0	0	0	0
#13 Estimated Current Reserve Deficiency to Surplus	0	0	0	0	0

Growth of Ameriprise Insurance Company

Year	Admitted Assets	Liabilities	Surplus as Regards Policyholders	Net Income
2018	\$50,995,806	\$1,621,110	\$49,334,697	\$ 986,211
2017	50,060,510	1,713,078	48,347,434	1,035,713
2016	49,126,833	1,816,267	47,310,566	1,084,716
2015	47,980,062	1,758,311	46,221,751	1,082,027
2014	46,977,974	1,841,362	45,136,613	1,048,590
2013	46,129,574	2,171,444	43,958,130	1,222,131

Year	Gross Premium Written	Net Premium Written	Premium Earned	Loss and LAE Ratio	Expense Ratio	Combined Ratio
2018	\$33,784,572	\$0	\$0	0.0%	0.0%	0.0%
2017	34,619,881	0	0	0	0	0
2016	35,973,397	0	0	0	0	0
2015	36,646,081	0	0	0	0	0
2014	37,212,236	0	0	0	0	0
2013	32,740,568	0	0	0	0	0

During the period under examination, the company's gross premiums written increased 3% to \$33.7 million in 2018, due in part to the growth and expansion through the affinity partnership with Costco Wholesale Corporation and the addition of writing homeowner's insurance in South Carolina. AIC currently writes in three states—New York, Georgia, and South Carolina. The company is a wholly owned subsidiary of IDSPC and cedes 100% of the premium written to its parent pursuant to a quota share reinsurance agreement.

During the period under examination, the company's assets increased 10.5%, liabilities decreased 2.5%, and surplus increased 12%. The company reported net income in each year under examination. Net income consisted predominantly of net investment income reduced by general underwriting expenses.

Reconciliation of Surplus per Examination

No adjustments were made to surplus as a result of the examination. The amount of surplus reported by the company as of December 31, 2018, is accepted.

Examination Reclassifications

No reclassifications were made as a result of the examination.

VII. SUMMARY OF EXAMINATION RESULTS

Compliance with Prior Examination Report Recommendations

There were no specific comments and recommendations in the previous examination report.

Summary of Current Examination Results

The current examination resulted in no exam recommendations, reclassifications, or surplus adjustments.

VIII. CONCLUSION

Ameriprise Insurance Company is a stock property and casualty insurer, a wholly owned subsidiary of IDS Property Casualty Insurance Company. The company markets strictly personal lines and offers private-passenger auto, homeowner's, and umbrella insurance coverage on a direct basis to retail clients of non-related affinity partnerships, the largest of which is Costco Wholesale Corporation. The company cedes 100% of the direct written business to its parent, IDSPC, pursuant to a reinsurance quota share agreement.

The company sustained underwriting losses in all five years under examination but reported net income in each year during the examination period, as net income was comprised predominantly of investment income net of expenses. The examination determined that, as of December 31, 2018, the company had admitted assets of \$50,995,806, liabilities of \$1,621,110, and surplus of \$49,334,697.

Effective October 1, 2019, IDSPC and AIC became indirect, wholly owned subsidiaries of American Family Insurance Mutual Holding Company, a Wisconsin mutual holding company.

The current examination resulted in no adverse comments or recommendations. No adjustments were made to surplus as a result of the examination.

IX. SUMMARY OF COMMENTS AND RECOMMENDATIONS

The current examination resulted in no comments or recommendations.

X. ACKNOWLEDGMENT

The courtesy and cooperation extended during the course of the examination by the officers and employees of the company are acknowledged.

In addition to the undersigned, the following representatives of the Office of the Commissioner of Insurance, State of Wisconsin, participated in the examination:

Name	Title
Adrian Jaramillo	Insurance Financial Examiner
Abdel-Aziz Kondoh	Insurance Financial Examiner
Ryan Maren	Insurance Financial Examiner
Gabriel Gorske	Insurance Financial Examiner
James Vanden Branden	ACL Specialist
David Jensen, CFE	IT Specialist
Jerry DeArmond, CFE	Reserve Specialist

Respectfully submitted,



Nicholas Hartwig
Examiner-in-Charge