

Report of the Examination of
Eagle Point Mutual Insurance Company
Chippewa Falls, Wisconsin
As of December 31, 2020

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November 17, 2021

Honorable Mark V. Afable
Commissioner of Insurance
State of Wisconsin
125 South Webster Street
Madison, Wisconsin 53703

Commissioner:

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

EAGLE POINT MUTUAL INSURANCE COMPANY
Chippewa Falls, Wisconsin

and this report is respectfully submitted.

I. INTRODUCTION

The previous examination of Eagle Point Mutual Insurance Company (the company) was conducted in 2016 as of December 31, 2015. The current examination covered the intervening period ending December 31, 2020, and included a review of such subsequent 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 the 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. Special attention was given to the action taken by the company to satisfy the recommendations and comments made in the previous examination report.

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 concerning the alternative or additional examination steps performed during the examination.

In addition to auditing, the public accounting firm performs non-auditing services for the company, including bookkeeping assistance in connection with the year-end close, assistance with the preparation of the annual statement, and tax return preparation. On December 3, 2010, an exemption was granted by the Commissioner, pursuant to s. Ins 50.08 (5), Wis. Adm. Code, permitting the independent auditor to perform this non-audit work for the company.

II. HISTORY AND PLAN OF OPERATION

The company was organized as a town mutual insurance company on June 7, 1879, under the provisions of the then-existing Wisconsin Statutes. The original name of the company was the Eagle Point Mutual Fire Insurance Company. Subsequent amendments to the company's articles and bylaws changed the company's name to that presently used.

On April 24, 2014, the company submitted a Plan of Conversion to convert to a ch. 611, Wis. Stat., domestic insurer. The proposed conversion was approved by the Office of the Commissioner of Insurance on April 28, 2014, and was approved by policyholders on June 3, 2014. As part of the conversion, the company became non-assessable and expanded its territory to include additional Wisconsin counties. The conversion was effective January 1, 2015.

The company is licensed to write property, including windstorm and hail, and non-property insurance in 26 contiguous counties within the state of Wisconsin and is not licensed in any other state. The company is authorized to write business in the following 26 counties:

Adams	Barron	Buffalo	Burnett
Chippewa	Clark	Douglas	Dunn
Eau Claire	Jackson	Juneau	La Crosse
Marathon	Monroe	Pepin	Pierce
Polk	Price	Rusk	Sawyer
St. Croix	Taylor	Trempealeau	Vernon
Washburn	Wood		

The company is primarily a personal lines writer, with the highest volume lines of business being farmowners multi-peril and homeowners multi-peril, with 57% and 36% of total direct premiums written, respectively. The company utilizes a network of approximately 113 agents to market and acquire business.

Agents receive a 13% commission for all new and renewal business. In addition to the standard commission, the company offers a contingent commission program for its agents. The plan is offered to agents producing a minimum of \$25,000 to \$100,000 in premiums according to an escalating scale of production in the first through fourth and subsequent years the agency is contracted with the

company. The bonuses paid are based on calendar year results and on a combination of the agent's average two-year loss ratio and growth rate. Agents generating sufficient profit and growth are eligible for bonuses ranging from 0.27% to 9.85% of their net written premium.

The following table is a summary of the net insurance premiums written by the company in 2020. 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
Fire	\$ 43,311	\$	\$ 7,884	\$ 35,427
Allied lines	64,966		11,826	53,140
Farmowners multiple peril	1,286,974		246,503	1,040,471
Homeowners multiple peril	801,522		151,860	649,662
Commercial multiple peril	33,921		6,852	27,069
Other liability - occurrence	<u>15,725</u>	<u>—</u>	<u>12,056</u>	<u>3,669</u>
Total All Lines	<u>\$2,246,419</u>	<u>\$0</u>	<u>\$436,981</u>	<u>\$1,809,438</u>

III. MANAGEMENT AND CONTROL

Board of Directors

The company's board consists of the president and six independent directors. None of the directors are agents. The board is divided into three classes; one class of directors is elected annually to serve a three-year term. The Audit Committee is comprised of the full board.

Directors are entitled to an \$80 per diem per meeting. Agents who are a member of the Agent Advisory Group are entitled to an \$80 per diem. Meetings include regular board meetings, special board meetings, the annual meeting, committee meetings, and other such meetings authorized by the full board of directors.

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

Name and Residence	Principal Occupation	Term Expires
Gary Krumenauer Chippewa Falls, Wisconsin	Eagle Point President and CEO	2023
Michael Ruff Bloomer, Wisconsin	Farmer	2023
Duron Bergeson Colfax, Wisconsin	Farmer	2022
Leslie Danielson Cadott, Wisconsin	Farmer	2022
Donald Crank Holcombe, Wisconsin	Retired Farmer	2021
Raymond Kliscz Chippewa Falls, Wisconsin	Retired Agent	2024
Stephen Meinen Chippewa Falls, Wisconsin	Retired Loan Officer	2024

Officers of the Company

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

Name	Office
Gary Krumenauer	President and CEO
Ron Staples	Executive Vice President
Chanson Risler	Vice President

Committees of the Board

The company's bylaws allow for the formation of certain committees by the board of directors. The full board serves as the Audit Committee and the Claims Adjusting Committee. The remaining committees at the time of the examination are listed below:

Investment Committee

Leslie Danielson, Chair
Gary Krumenauer
Stephen Meinen
Michael Ruff

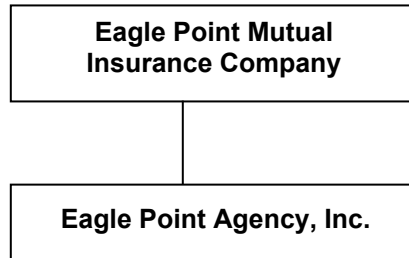
Nominating Committee

Stephen Meinen, Chair
Gary Krumenauer

IV. AFFILIATED COMPANIES

Eagle Point Mutual Insurance Company is a member of a holding company system. The organizational chart below depicts the relationships among the affiliates in the group. A brief description of the significant affiliates follows the organizational chart.

**Organizational Chart
As of December 31, 2020**



Eagle Point Agency, Inc.

Eagle Point Agency, Inc. (the agency) was formed in 1999 to acquire a former agent's book of business. The following year the company sold the renewal rights to Meinen Insurance Agency, which currently produces approximately 48% of company's direct premium. In 2008, the company again purchased a book of business from a former insurance agency. The renewal rights were subsequently distributed among local agents. Current activity of the agency is limited, as the agency does not hold any policies. The company is keeping ownership of the agency should it want to acquire an additional book of business at some point in the future. As of December 31, 2020, the unaudited financial statements of Eagle Point Agency, Inc. reported assets of \$224, liabilities of \$0, and equity of \$224. Operations for 2020 produced a net loss of \$91. The net loss was from filing fees.

During the period under examination, the company did not report or disclose its ownership in the agency in the statutory financial statements as required by the NAIC's Annual Statement Instructions Property/Casualty and SSAP No. 97 (Investments in Subsidiary, Controlled and Affiliated Entities), nor did it submit the filings required under the Insurance Holding Company System Regulations as prescribed under s. Ins 40.03 and 40.04, Wis. Adm. Code (Forms B, C, and F). [See discussion in the Summary of Current Examination Results.]

V. REINSURANCE

The company's reinsurance portfolio and strategy at the time of the examination are described below. The company's reinsurance portfolio revealed there is currently one ceding treaty with six underlying agreements (contracts). The treaty contained a proper insolvency clause and complied with the various retention limits, stop-loss, and catastrophic coverages as prescribed under ch. 612, Wis. Stat.

Nonaffiliated Ceding Contracts

1. Type: Liability
Reinsurer: Grinnell Mutual Reinsurance Company
Scope: Liability insurance
Retention: \$10,000 per occurrence
Coverage: \$1,000,000 per occurrence
Effective date: January 1, 2020
Termination: January 1, 2022, or either party may terminate at the end of any calendar year with 90 days' notice in writing
2. Type: Property Per Risk Excess of Loss
Reinsurer: Grinnell Mutual Reinsurance Company
Scope: Property
Retention: \$50,000 per risk
Coverage: \$5,000,000 per loss
\$15,000,000 per risk
Effective date: January 1, 2020
Termination: January 1, 2022, or either party may terminate at the end of any calendar year with 90 days' notice in writing
3. Type: Property Catastrophe Excess of Loss
Reinsurer: Grinnell Mutual Reinsurance Company
Scope: Property, caused by a catastrophic disaster, accident, or loss
Retention: \$200,000 per occurrence
Coverage: 100% of ultimate net loss per occurrence

- Effective date: January 1, 2020
- Termination: January 1, 2022, or either party may terminate at the end of any calendar year with 90 days' notice in writing
4. Type: Property Aggregate Excess of Loss
- Reinsurer: Grinnell Mutual Reinsurance Company
- Scope: Property
- Retention: \$1,150,000 per year
- Coverage: 100% in excess of retention
- Effective date: January 1, 2020
- Termination: January 1, 2022, or either party may terminate at the end of any calendar year with 90 days' notice in writing
5. Type: Umbrella Quota Share
- Reinsurer: Grinnell Mutual Reinsurance Company
- Scope: Commercial, personal, and farm umbrella liability
- Retention: None
- Coverage: 100% up to \$2,000,000 per policy
- Effective date: January 1, 2020
- Termination: Either party may terminate at the end of any calendar year with 90 days' notice in writing

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, 2020, 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.

Eagle Point Mutual Insurance Company
Assets
As of December 31, 2020

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 377,864	\$	\$ 377,864
Stocks:			
Preferred stocks	130,477		130,477
Common stocks	4,988,423		4,988,423
Real estate:			
Occupied by the company	60,374		60,374
Cash, cash equivalents, and short-term investments	512,081		512,081
Investment income due and accrued	1,167		1,167
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	12,250	494	11,756
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	369,279		369,279
Current federal and foreign income tax recoverable and interest thereon	60,284		60,284
Electronic data processing equipment and software	3,504		3,504
Furniture and equipment, including health care delivery assets	1,838	1,838	
Write-ins for other than invested assets:			
Prepaid Expenses	<u>6,113</u>	<u>6,113</u>	<u> </u>
Total Assets	<u>\$6,523,654</u>	<u>\$8,445</u>	<u>\$6,515,209</u>

**Eagle Point Mutual Insurance Company
Liabilities, Surplus, and Other Funds
As of December 31, 2020**

Losses		\$ 89,010
Loss adjustment expenses		5,243
Commissions payable, contingent commissions, and other similar charges		47,014
Other expenses (excluding taxes, licenses, and fees)		9,171
Taxes, licenses, and fees (excluding federal and foreign income taxes)		24,061
Net deferred tax liability		481,120
Unearned premiums		1,089,988
Advance premium		67,906
Ceded reinsurance premiums payable (net of ceding commissions)		<u>49,480</u>
Total Liabilities		1,862,993
Unassigned funds (surplus)	<u>\$4,652,216</u>	
Surplus as Regards Policyholders		<u>4,652,216</u>
Total Liabilities and Surplus		<u>\$6,515,209</u>

**Eagle Point Mutual Insurance Company
Summary of Operations
For the Year 2020**

Underwriting Income		
Premiums earned		\$1,651,322
Deductions:		
Losses incurred	\$652,230	
Loss adjustment expenses incurred	115,582	
Other underwriting expenses incurred	<u>677,513</u>	
Total underwriting deductions		<u>1,445,325</u>
Net underwriting gain (loss)		205,997
Investment Income		
Net investment income earned	124,607	
Net realized capital gains (losses)	<u>16,728</u>	
Net investment gain (loss)		141,335
Other Income		
Finance and service charges not included in premiums	121,957	
Write-ins for miscellaneous income:		
Miscellaneous	<u>5</u>	
Total other income		<u>121,962</u>
Net income (loss) before federal and foreign income taxes		469,294
Federal and foreign income taxes incurred		<u>87,330</u>
Net Income (Loss)		<u>\$ 381,964</u>

Eagle Point Mutual Insurance Company
Cash Flow
For the Year 2020

Premiums collected net of reinsurance		\$1,787,112
Net investment income		116,945
Miscellaneous income		<u>121,962</u>
Total		2,026,019
Benefit- and loss-related payments	\$717,182	
Commissions, expenses paid, and aggregate write-ins for deductions	677,057	
Federal and foreign income taxes paid (recovered)	<u>100,000</u>	
Total deductions		<u>1,494,239</u>
Net cash from operations		531,780
Proceeds from investments sold, matured, or repaid:		
Bonds	\$ 92,532	
Stocks	<u>575,032</u>	
Total investment proceeds		667,564
Cost of investments acquired (long- term only):		
Stocks	<u>945,466</u>	
Total investments acquired	<u>945,466</u>	
Net cash from investments		(277,902)
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>(1,231)</u>	
Net cash from financing and miscellaneous sources		<u>(1,231)</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		252,647
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>259,647</u>
End of Year		<u>\$ 512,081</u>

**Eagle Point Mutual Insurance Company
Compulsory and Security Surplus Calculation
December 31, 2020**

Assets		\$6,515,209
Less liabilities		<u>1,862,993</u>
Adjusted surplus		4,652,216
Annual premium:		
Lines other than accident and health	\$1,809,438	
Factor	<u>20%</u>	
Compulsory surplus (subject to a minimum of \$2 million)		<u>2,000,000</u>
Compulsory Surplus Excess (Deficit)		<u>\$2,652,216</u>
Adjusted surplus (from above)		\$4,652,216
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>\$1,852,216</u>

**Eagle Point Mutual Insurance Company
Analysis of Surplus
For the Five-Year Period Ending December 31, 2020**

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

	2020	2019	2018	2017	2016
Surplus, beginning of year	\$4,144,829	\$4,099,687	\$3,697,830	\$3,508,832	\$3,077,525
Net income	381,964	(203,100)	493,159	(203,102)	183,626
Change in net unrealized capital gains/losses	113,405	233,217	(98,300)	286,870	238,370
Change in net deferred income tax	17,597	17,806	5,868	103,358	8,767
Change in nonadmitted assets	<u>(5,579)</u>	<u>(2,781)</u>	<u>1,130</u>	<u>1,872</u>	<u>544</u>
Surplus, End of Year	<u>\$4,652,216</u>	<u>\$4,144,829</u>	<u>\$4,099,687</u>	<u>\$3,697,830</u>	<u>\$3,508,832</u>

**Eagle Point Mutual Insurance Company
Insurance Regulatory Information System
For the Five-Year Period Ending December 31, 2020**

The company's NAIC Insurance Regulatory Information System (IRIS) results for the period under examination are summarized below. Unusual IRIS results are denoted with asterisks and discussed below the table.

Ratio	2020	2019	2018	2017	2016
#1 Gross Premium to Surplus	48%	47%	41%	42%	44%
#2 Net Premium to Surplus	39	35	32	30	30
#3 Change in Net Premiums Written	23	13	16	5	9
#4 Surplus Aid to Surplus	0	0	0	0	0
#5 Two-Year Overall Operating Ratio	91	83	83	101*	70
#6 Investment Yield	2.2	1.9*	2.4	1.9*	1.5*
#7 Gross Change in Surplus	12	1	11	5	14
#8 Change in Adjusted Surplus	12	1	11	5	14
#9 Liabilities to Liquid Assets	25	24	23	25	26
#10 Agents' Balances to Surplus	0	0	0	0	0
#11 One-Year Reserve Development to Surplus	-1	-0	-1	-1	-1
#12 Two-Year Reserve Development to Surplus	-1	-1	-0	-1	999*
#13 Estimated Current Reserve Deficiency to Surplus	-2	1	2	-2	-4

Ratio No. 5 measures the company's profitability over the previous two-year period. The exceptional result in 2017 was due to poor underwriting results. Due to the company's concentration in 19 counties in 2017, they were heavily influenced by weather patterns, particularly a tornado and a large hailstorm. The company had a net loss ratio of 96% and a combined ratio of 140% in 2017.

Ratio No. 6 measures the company's investment returns for a year. The exceptional results in 2016, 2017, and 2019 were due to low investment yields throughout the marketplace.

Ratio No. 12 measures the company's reserve development over the previous two-year period. The exceptional result in 2016 was attributable to data being unavailable due to the company's conversion from a ch. 612 town mutual insurer to a ch. 611 insurer in 2015.

Growth of Eagle Point Mutual Insurance Company

Year	Admitted Assets	Liabilities	Surplus as Regards Policyholders	Net Income
2020	\$6,515,209	\$1,862,993	\$4,652,216	\$381,964
2019	5,735,831	1,591,002	4,144,829	(203,100)
2018	5,600,734	1,501,047	4,099,687	493,159
2017	5,143,465	1,445,635	3,697,830	(203,102)
2016	4,979,020	1,470,188	3,508,832	183,626
2015	4,302,614	1,225,089	3,077,525	262,875

Year	Gross Premium Written	Net Premium Written	Premium Earned	Loss and LAE Ratio	Expense Ratio	Combined Ratio
2020	\$2,246,419	\$1,809,438	\$1,651,322	46.5%	30.7%	77.2%
2019	1,952,381	1,465,397	1,329,190	92.2	33.4	125.6
2018	1,699,468	1,292,516	1,213,366	20.0	35.4	55.4
2017	1,561,275	1,111,878	1,099,231	96.1	36.5	132.6
2016	1,533,760	1,060,601	1,019,154	41.8	39.0	80.8
2015	1,483,572	976,478	923,923	29.8	42.7	72.5

During the period under examination, gross premium written increased 51% as the company expanded into additional counties and increased the number of agents. The total number of policies increased from 1,187 in 2015 to 1,726 in 2020.

Total liabilities increased 34% during the exam period. This is primarily driven by increases in premiums paid in advance and unearned premiums. The company's membership has increased significantly over the examination period due to the company's expansion into 10 additional counties and expanded product offerings. As membership has increased, the amount of premiums paid in advance and unearned premiums have increased in kind.

The company's combined ratio exceeded 100% in 2017 and 2019. Both years saw a pair of catastrophic weather events in the coverage area that led to net losses in 2017 and 2019.

Surplus increased 51% during the exam period. Although the company reported net losses in two of the past five years, the net income of the other three exceeded the net losses, leading to a total net income of \$652,547 over the past five years. This, in addition to unrealized capital gains, has directly driven the increased surplus.

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, 2020, is accepted.

VII. SUMMARY OF EXAMINATION RESULTS

Compliance with Prior Examination Report Recommendations

There were six specific comments and recommendations in the previous examination report. Comments and recommendations contained in the last examination report and actions taken by the company are as follows:

1. Disaster Recovery—It is recommended that the company annually engage in disaster recovery exercises of a basic level, such as a table-top walk-through, and working with key vendors to assure that the company can recover quickly from a disaster to the company.

Action—Compliance.

2. Business Continuity—It is recommended that the company develop a business continuity plan that includes necessary job documentation and appropriate cross-training if an employee is not available to do the job for a long period of time.

Action—Compliance.

3. Rental Agreement—It is recommended that the company execute a rental contract with its current tenant and keep any such agreement up to date.

Action—Compliance.

4. Executive Compensation—It is recommended that the company report all remuneration, including employer-paid insurance benefits and any other forms of compensation, for employees that meet the requirements to be reported on the Executive Compensation form in accordance with s. 611.63, Wis. Stat.

Action—Compliance.

5. Committees of Directors—It is recommended that the composition of each committee of the board of directors complies with s. 611.56 (1), Wis. Stat.

Action—Compliance.

6. Conflict of Interest—It is recommended that on an annual basis the company's directors and officers fully complete and the company retain all conflict of interest disclosure forms.

Action— Partial Compliance.

Summary of Current Examination Results

This section contains comments and elaboration on those areas where adverse findings were noted or where unusual situations existed. Comment on the remaining areas of the company's operations is contained in the examination work papers.

Conflict of Interest Disclosures

Company policy requires directors and officers to complete conflict of interest disclosure on an annual basis. A review of the conflict of interest disclosures revealed that the company did not retain all conflict of interest forms for all directors and officers in each year under examination. The company was unable to locate one of the conflict of interest forms for the period under examination. It is again recommended that on an annual basis the company's directors and officers fully complete, and the company retain, all conflict of interest disclosure forms.

Affiliates

During the period under examination, the company did not report or disclose its ownership in Eagle Point Agency, Inc. in the statutory financial statements as required by the NAIC's Annual Statement Instructions Property/Casualty and SSAP No. 97 (Investments in Subsidiary, Controlled and Affiliated Entities), nor did it submit the filings required under the Insurance Holding Company System Regulations as prescribed under s. Ins 40.03 and 40.04, Wis. Adm. Code (Forms B, C and F). It is recommended that the company comply with the reporting and disclosure requirements pertaining to holding company systems and investments in subsidiaries, as prescribed by the NAIC's Annual Statement Instructions Property/Casualty and SSAP No. 97 (Investments in Subsidiary, Controlled and Affiliated Entities). It is further recommended that the company file all appropriate holding company forms as prescribed under s. Ins 40.03 and 40.04, Wis. Adm. Code.

VIII. CONCLUSION

Eagle Point Mutual Insurance Company is a small mutual insurer with an authorized territory of 26 counties. The company has been in business over 143 years, providing property and liability insurance to its policyholders. Effective January 1, 2015, the company converted from a town mutual to a domestic insurer under ch. 611, Wis. Stat.

During the period under examination, the company's gross premium written increased 51% to \$2,246,419 as it expanded into additional counties and added new agents. Surplus increased 51% primarily due to net income reported in three of the past five years (as well as unrealized capital gains). The other two years had underwriting losses due to significant catastrophic weather events. Despite this, over the past five years, net income exceeded net losses, leading to the significant increase in surplus.

The examination resulted in two recommendation and no adjustments to surplus or reclassifications.

IX. SUMMARY OF COMMENTS AND RECOMMENDATIONS

1. Page 19 - Conflict of Interest Disclosures— It is again recommended that on an annual basis the company's directors and officers fully complete, and that the company retain, all conflict of interest disclosure forms.
2. Page 19 - Affiliates— It is recommended that the company comply with the reporting and disclosure requirements pertaining to holding company systems and investments in subsidiaries, as prescribed by the NAIC's Annual Statement Instructions Property/Casualty and SSAP No. 97 (Investments in Subsidiary, Controlled and Affiliated Entities). It is further recommended that the company file all appropriate holding company forms as prescribed under s. Ins. 40.03 and 40.04, Wis. Adm. Code.

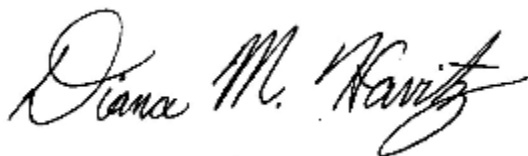
X. ACKNOWLEDGMENT

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
Jeffrey Boyd	Insurance Financial Examiner
Daniel Hanes	Insurance Financial Examiner
Junji Nartatez	IT Specialist
Terry Lorenz, CFE	Quality Control Specialist
Jerry DeArmond, CFE	Reserve Specialist

Respectfully submitted,



Diana M. Havitz
Examiner-in-Charge