



**DEPARTMENT OF INSURANCE, FINANCIAL  
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

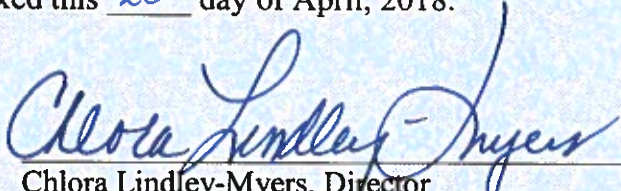
**ORDER**

After full consideration and review of the report of the financial examination of Savers Property and Casualty Insurance Company for the period ended December 31, 2016 together with any written submissions or rebuttals and any relevant portions of the examiner's workpapers, I, Chlora Lindley-Myers, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration pursuant to section 374.205.3(3)(a), RSMo, adopt such examination report. After my consideration and review of such report, workpapers, and written submissions or rebuttals, I hereby incorporate by reference and deem the following parts of such report to be my findings and conclusions to accompany this order pursuant to section 374.205.3(4), RSMo: subsequent events, summary of significant findings, company history, management and control, territory and plan of operation, reinsurance, financial statements, financial statement changes resulting from examination, comments on financial statement items, and summary of recommendations.

Based on such findings and conclusions, I hereby ORDER that the report of the financial examination of Savers Property and Casualty Insurance Company as of December 31, 2016 be and is hereby ADOPTED as filed and for Savers Property and Casualty Insurance Company to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed by such report: (1) account for its financial condition and affairs in a manner consistent with the Director's findings and conclusions.

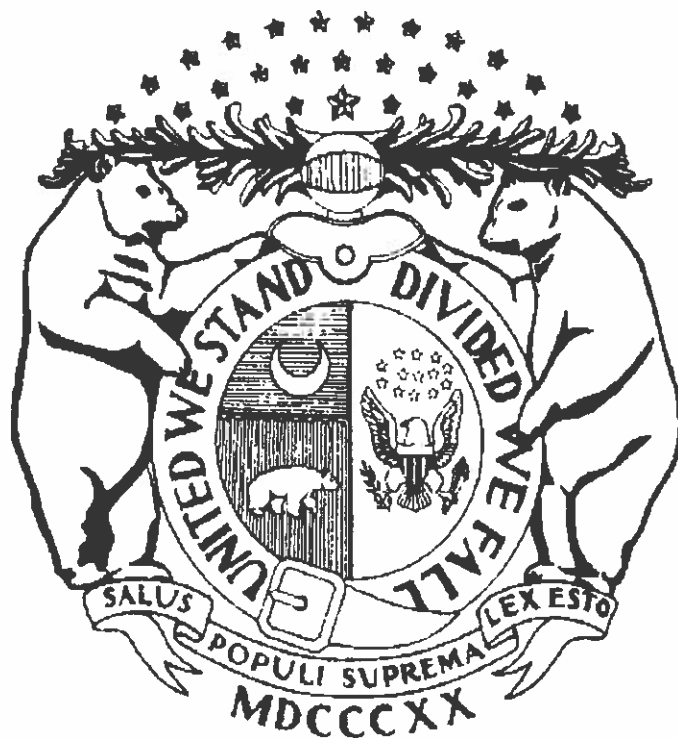
So ordered, signed and official seal affixed this 20<sup>th</sup> day of April, 2018.



  
Chlora Lindley-Myers, Director  
Department of Insurance, Financial Institutions  
and Professional Registration

**REPORT OF THE  
FINANCIAL EXAMINATION OF  
SAVERS PROPERTY AND CASUALTY  
INSURANCE COMPANY**

**AS OF  
DECEMBER 31, 2016**



**STATE OF MISSOURI  
DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND  
PROFESSIONAL REGISTRATION  
JEFFERSON CITY, MISSOURI**

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Southfield, MI  
March 26, 2018

Honorable Chlora Lindley-Myers, Director  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration  
301 West High Street, Room 530  
Jefferson City, Missouri 65102

Director Lindley-Myers:

In accordance with your financial examination warrant, a full-scope financial examination has been made of the records, affairs and financial condition of

### **Savers Property and Casualty Insurance Company**

hereinafter referred to as such, as Savers, or as the Company. Its main administrative office is located at 11880 College Boulevard, Suite 500, Overland Park, KS 66210, telephone number (913) 339-5000. Its books and records are located at 26255 American Drive, Southfield, MI 48034, telephone number (248) 358-1100. The fieldwork for this examination began on February 27, 2017 and concluded on the above date.

### **SCOPE OF EXAMINATION**

#### **Period Covered**

The Missouri Department of Insurance, Financial Institutions and Professional Registration (DIFP) has performed a full-scope financial examination of Savers Property and Casualty Insurance Company. The last examination of the Company, also performed by the DIFP, covered the examination period of January 1, 2011 through December 31, 2013. The current examination covers the period of January 1, 2014 through December 31, 2016, as well as a review of any material transactions and events occurring subsequent to the examination period through the date of this report.

This examination was performed concurrently with the examinations of the Company's parent, Star Insurance Company (Star) and its affiliates: Ameritrust Insurance Corporation (Ameritrust Insurance), Williamsburg National Insurance Company (Williamsburg), and ProCentury Insurance Company (ProCentury), by the Michigan Department of Insurance and Financial Services (MI DIFS). An affiliate, Century Surety Company (Century Surety), was also examined by the Ohio Department of Insurance (OH DOI). All of the companies examined are collectively referred to as the Group.

#### **Procedures**

This examination was conducted in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook (Handbook)*, except where practices, procedures, and applicable regulations of the DIFP and statutes of the State of Missouri prevailed. The *Handbook* requires that we plan and perform the examination to

evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. This includes the identification and evaluation of significant risks that could cause the Company's surplus to be materially misstated, both on a current and prospective basis.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

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

### **Reliance Upon Others**

The examination team relied upon various workpapers, documents, and other information provided by the other states' departments of insurance participating in the coordinated examination. The items relied upon included, but were not limited to, review of IT systems, review of overall corporate governance, and control and substantive testing for all key activities in the examination.

The examination relied upon information supplied by the Company's independent auditor, Ernst & Young, of Detroit, MI, for its annual audits covering the period from January 1, 2015 to December 31, 2016. The items relied upon included, but were not limited to, narrative descriptions of processes and controls, control testing for all key activities, and paid claims testing. The examination also relied upon the work of Paradigm Actuaries, of Chicago, IL, for the valuation of the related actuarial items.

## **SUBSEQUENT EVENTS**

Pursuant to a Certificate of Amendment to its Articles of Incorporation filed with the Michigan Department of Licensing and Regulatory Affairs, the name of the intermediate controlling entity, Meadowbrook Insurance Group, Inc. was changed to AmeriTrust Group, Inc., effective September 11, 2017. AmeriTrust Group, Inc. simultaneously filed a Certificate of Assumed Name to continue to do business as Meadowbrook Insurance Group, Inc.

## **SUMMARY OF SIGNIFICANT FINDINGS**

There were no material adverse findings, significant non-compliance issues, or material changes to the financial statements noted during the examination.

## COMPANY HISTORY

Savers Property and Casualty Insurance Company was incorporated on December 17, 1985 as a stock casualty insurance company under the provisions of Missouri Law at Chapter 379 RSMo (Insurance other than life) and commenced business effective January 28, 1986. Savers was owned by Franklin Insurance Holdings, Inc. prior to being sold to Star in 1990. Star is wholly owned by AmeriTrust Group, Inc. (AmeriTrust). AmeriTrust was purchased on July 7, 2015 by Fosun International Limited (Fosun). Fosun's Chairman, Guo Guangchang, is considered the Ultimate Controlling Person (UCP) of Savers.

### Capital Contributions

No surplus contributions were received during the current examination period.

### Dividends

Savers paid \$5,903,790 in dividends to Star in 2016. There were no other dividends declared or paid during the examination period.

### Mergers and Acquisitions

On July 7, 2015 AmeriTrust and Fosun announced the completion of Fosun's purchase of AmeriTrust. As a result of this change in control, AmeriTrust, which had been a publicly held company, is now a privately owned entity and not traded on a public exchange.

## MANAGEMENT AND CONTROL

### Board of Directors

The management of the Company is vested in a Board of Directors, which is appointed by the sole shareholder. The Company's Articles of Incorporation specify that the Board of Directors shall consist of nine members. Members of the Board of Directors appointed and serving as of December 31, 2016, were as follows:

| <u>Name</u>                      | <u>Address</u>       | <u>Principal Occupation and Business Affiliation</u>       |
|----------------------------------|----------------------|--|
| Kenn R. Allen                    | Northville, MI       | President and Chief Executive Officer, AmeriTrust          |
| Randolph W. Fort <sup>3</sup>    | Northville, MI       | Senior Vice President, AmeriTrust                          |
| Gregg W. Haver                   | Galena, OH           | Vice President, AmeriTrust                                 |
| James M. Mahoney <sup>1</sup>    | Plymouth, MI         | Senior Vice President, AmeriTrust                          |
| Archie S. McIntyre <sup>4</sup>  | Ray Township, MI     | Senior Vice President, AmeriTrust                          |
| Patrick S. Stewart               | Huntington Woods, MI | Chief Financial Officer and Treasurer, AmeriTrust          |
| Christopher J. Timm <sup>5</sup> | Galena, OH           | Executive Vice President, AmeriTrust                       |
| Nathan K. Voorhis                | Powell, OH           | Chief Operating Officer and Chief Risk Officer, AmeriTrust |
| Roger S. Walleck <sup>2</sup>    | South Lyon, MI       | Chief Underwriting Officer, AmeriTrust                     |

**Senior Officers**

The officers elected by the Board of Directors and serving as of December 31, 2016, were as follows:

| <b><u>Officer</u></b>           | <b><u>Position</u></b>                         |
|---------------------------------|--|
| Kenn R. Allen                   | President and Chief Executive Officer          |
| Karen M. Netschke               | Secretary                                      |
| Patrick S. Stewart              | Treasurer and Chief Financial Officer          |
| Nathan K. Voorhis               | Chief Operating Officer and Chief Risk Officer |
| Randolph W. Fort <sup>3</sup>   | Vice President                                 |
| Archie S. McIntyre <sup>4</sup> | Vice President                                 |
| Roger S. Walleck <sup>2</sup>   | Vice President                                 |

<sup>1</sup>James M. Mahoney resigned his position as a director of the Company on December 31, 2016 and was replaced by John C. Baird as of January 3, 2017.

<sup>2</sup>Roger S. Walleck resigned his position as a director and officer of the Company effective April 3, 2017 and was replaced by Doyle F. Browning as of May 30, 2017.

<sup>3</sup>Randolph W. Fort resigned his position as a director and officer of the Company effective August 18, 2017 and was replaced by Brian Zhang as of January 3, 2018.

<sup>4</sup>Archie McIntyre resigned his position as a director and officer of the Company effective October 17, 2017 and was replaced by Daniel Gibson as of January 3, 2018.

<sup>5</sup>Christopher Timm resigned his position as a director of the Company effective October 18, 2017 and was replaced by Cheung Kwan as of January 3, 2018.

**Committees**

Savers has not established any Board committees. It relies on the functions of the following AmeriTrust Board committees for support: Audit and Risk Committee, Compensation and Governance Committee, Underwriting Committee, and Capital and Investment Committee. The Audit and Risk Committee is chaired by an independent member of AmeriTrust's Board.

**Corporate Records**

A review was made of the Company's Articles of Incorporation and Bylaws for the period under examination. There were no amendments or changes to the Articles of Incorporation or Bylaws during the period under examination.

The minutes of the Board of Directors' meetings, committee meetings, and shareholder meetings were reviewed for proper approval of corporate transactions. In general, the minutes appear to properly reflect and approve the Company's major transactions and events for the period under examination.

**Holding Company, Subsidiaries and Affiliates**

Savers is a member of an Insurance Holding Company System as defined by Chapter 382.010 RSMo (Definitions) and is wholly owned by Star Insurance Company, a Michigan property and

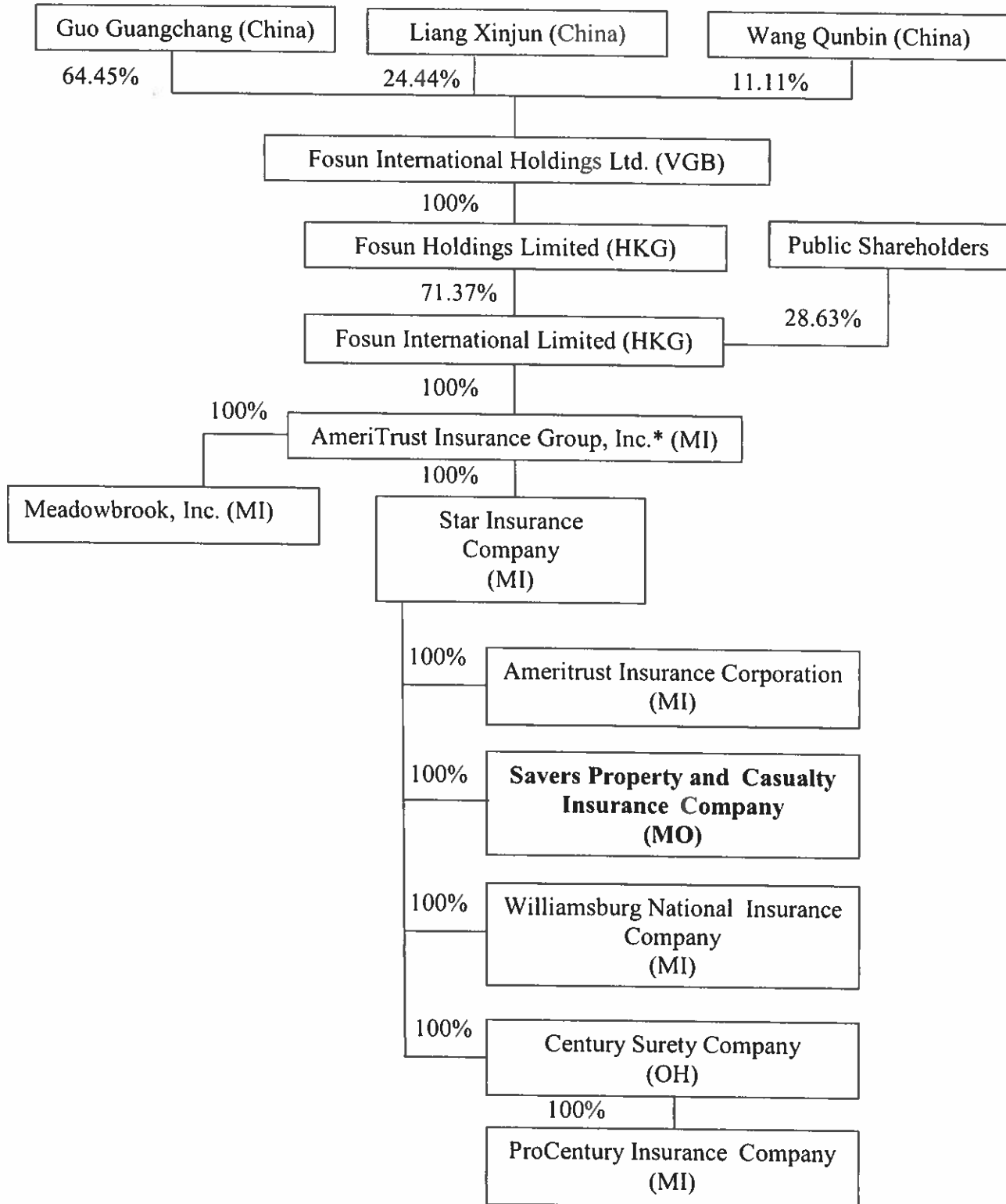


casualty insurer. Star, in turn, is a wholly owned subsidiary of AmeriTrust, an insurance holding company.

AmeriTrust is the wholly owned subsidiary of Fosun, an international investment group headquartered in Shanghai, China and traded publicly on the Hong Kong stock exchange. Fosun's Chairman and Executive Director, Guo Guangchang is the Ultimate Controlling Person (UCP) with a 46% indirect stock ownership in Fosun.

**Organizational Chart**

The UCP is Guo Guangchang, through his ownership interest in Fosun, the ultimate holding company. Fosun has a large number of subsidiaries which are too numerous to list in this report. Therefore, only entities that have a direct and indirect ownership of Savers and entities that have significant transactions with Savers are listed. The following organizational chart depicts the ownership of Savers Property and Casualty Insurance Company as of December 31, 2016:



\*Meadowbrook Insurance Group, Inc. changed its name to AmeriTrust Group, Inc. on September 11, 2017.

**Intercompany Transactions**

The Company has the following agreements with affiliated companies:

- 1. Type:** Management Services Agreement

**Parties:** AmeriTrust and its insurance subsidiaries, including Savers (collectively the Group), and Meadowbrook, Inc. (Meadowbrook)

**Effective:** October 1, 2007. Amended effective July 1, 2011, and November 15, 2015

**Terms:** Meadowbrook will perform for Savers (and all other group insurers listed) the day-to-day operations by providing various administrative and management services. These services include, but are not limited to, accounting and actuarial services, claim and benefit payments, customer services, marketing and sales services, information technology services, legal and government relation services, broker and agent services, and general office services. Meadowbrook may engage a third-party, agents or subsidiaries to perform certain functions under this agreement. The insurers shall have the authority to approve or terminate the third-party as well as approval of commission rates. To the extent Meadowbrook delegates functions to a third-party, the fee for services shall be paid by Meadowbrook (subject to reimbursement by the insurers). Expenses will now be determined annually, based on the costs associated with each insurer's portion of underwritten business. Indirect and shared expenses will be allocated per Statement of Statutory Accounting Principles No. 70, Allocation of Expenses.
  
- 2. Type:** Agency Agreement

**Parties:** Meadowbrook and Meadowbrook's agency affiliates (collectively the Agent), and Savers

**Effective:** October 1, 2009. Amended effective July 21, 2011, and August 15, 2016

**Terms:** The Agent is appointed and provided limited authority to solicit and secure applications for Savers. The Agent is granted binding authority, pursuant to Savers' underwriting guidelines, policies, bulletins, or other documents. The Agent shall submit on the 10<sup>th</sup> of each month an account current indicating the prior month's premium and taxes/surcharges due. The Agent is responsible for billing and collecting from the policyholder, all deposit, installment, endorsement and audit premiums and remitting net of commission to the Company by the 15<sup>th</sup> day of the following month. Compensation to the Agent will be as set out in the commission schedule attached to the agreement.
  
- 3. Type:** Tax Allocation Agreement

**Parties:** AmeriTrust and its subsidiaries, including Savers

**Effective:** October 1, 2008. Amended effective December 1, 2015

**Terms:** Each entity will calculate its tax liability on a stand-alone basis. All settlements will be made in thirty days, unless AmeriTrust is receiving a refund. In a refund situation, the settlements will be made within thirty days of receipt of refund.

- 4. Type:** Loan Agreement
- Parties:** AmeriTrust and its insurance subsidiaries, including Savers (collectively the Parties and individually the Party), and Meadowbrook and its affiliates (collectively Meadowbrook)
- Effective:** October 1, 2004. Amended effective July 1, 2011, and December 1, 2015
- Terms:** Meadowbrook is authorized to advance monies (Advances) in Meadowbrook's control, from any of the Parties (Creditor) to any of the other Parties (Debtor). Meadowbrook is authorized to direct any of the Parties, as Debtor, to receive Advances from another of the Parties acting as Creditor. Parties recognize that from time to time one Party may receive payment from or make payments to third parties on behalf of itself and one or more of the other Parties. Payments or Advances for third parties shall not exceed the amounts which would have been paid to or received from the third party had the transaction occurred directly. Payments or Advances in aggregate shall not exceed the lesser of three percent (3%) of either the Creditor's or Debtor's admitted assets or twenty-five percent (25%) of either the Creditor's or Debtor's policyholder surplus as of the preceding December 31. Meadowbrook shall maintain a written record of all Advances and payments made pursuant to this agreement. In accordance with SSAP No. 25, paragraph 7, Meadowbrook shall settle all Advances or payments to the Creditor within 90 days of receipt from or payment to the Creditor, or such Advances or payments shall be deemed non admitted. Advances or payments not made with 90 days shall accrue interest at the same rate as the applicable borrowing rate set forth in any current or applicable revolving credit facility of AmeriTrust.

In addition to the above agreements, there is also an Inter-Company Reinsurance Agreement. See the Reinsurance section of this report for further details.

### **TERRITORY AND PLAN OF OPERATION**

Savers Property and Casualty Insurance Company is licensed under Chapter 379 RSMo (Insurance other than life), to write the business of property and casualty insurance in the State of Missouri. As of December 31, 2016, the Company was also licensed in the states of Illinois, Kansas, Maine, and Massachusetts. In addition, the Company operated on a surplus lines or non-admitted basis in the District of Columbia and the 45 states where full licensure had not been obtained.

The Company has specialized in writing insurance programs for professional trade groups including: appraisers, educators, municipalities, marketing centers, lawyers, and livestock associations. The Company's direct lines of business include fire, allied lines, commercial multiple peril, inland marine, medical professional liability, workers' compensation, other liability, products liability, commercial auto liability, and auto physical damage. The major lines of business, based on direct written premiums, are listed below:

| <u>Line of Business</u>         | <u>Percentage of 2016<br/>Direct Written Premium</u> |
|---------------------------------|--|
| Commercial Multiple Peril       | 55.2%  |
| Other Liability                 | 20.1%  |
| Other Commercial Auto Liability | 9.9%   |
| Commercial Auto Physical Damage | 7.4%   |
| All other Lines                 | <u>7.4%</u>  |
| Total                           | <u>100.0%</u>  |

The Company has numerous agency agreements with independent agencies and brokers to produce business, including an agreement that names several affiliates as agents. In 2016, approximately 91.9% of the Company's business was produced by two unaffiliated agencies, Missouri Rural Services Corporation (MRSC) at 74.3%, and Forrest T. Jones (FTJ) at 17.6%. MRSC writes the Missouri Public Entity Program for various property and liability lines of business and FTJ writes the majority of the professional educators' liability program. In 2016, the Company wrote 74.7% of its business in Missouri.

## REINSURANCE

### General

The Company's premium activity on a direct written, assumed and ceded basis, for the period under examination, is detailed below:

|                             | <b>2014</b>         | <b>2015</b>         | <b>2016</b>  |
|-----------------------------|---------------------|---------------------|--------------|
| Direct Business             | \$25,194,507        | \$25,561,269        | \$25,293,580 |
| Reinsurance Assumed         |                     |                     |              |
| Affiliates                  | 77,000,038          | 77,525,993          | -            |
| Non-affiliates              | 53,904,182          | 57,564,544          | (25,618,982) |
| Reinsurance Ceded           |                     |                     |              |
| Affiliates                  | (79,098,689)        | (83,125,813)        | 325,402      |
| Non-affiliates              | -                   | -                   | -            |
| <b>Net Premiums Written</b> | <b>\$77,000,038</b> | <b>\$77,525,993</b> | <b>\$ -</b>  |

### Pooling

The Company entered into an Inter-Company Reinsurance Pooling Agreement effective January 1, 2009 with its parent, Star, and affiliates, Ameritrust Insurance, Williamsburg, Century Surety, and ProCentury, which was amended effective October 1, 2016. Per the Agreement, each subsidiary is required to cede 100% of its direct and assumed business to Star, the lead insurer of the pool. The amendment ended the retrocession participation of the pool members. Prior to the amendment of the agreement, the pool members received retrocessions from the pool in the following participation percentages:

| <u>Company</u>       | <u>Respective Percentage</u> |
|----------------------|------------------------------|
| Star                 | 35.83                        |
| Century Surety       | 29.07                        |
| Savers               | 13.04                        |
| ProCentury           | 9.44                         |
| Williamsburg         | 6.72                         |
| Ameritrust Insurance | 5.90                         |

As pool lead, Star now retains 100% of the pool's premiums, claims, underwriting expense, and reserves, with each affiliated company taking full credit for all liabilities ceded to Star.

On July 1, 2013 Savers and the other members of the pool entered into a 100% quota share reinsurance agreement with State National Insurance Company and its affiliates, National Specialty Insurance Company and United Specialty Insurance Company (collectively, SNIC). In connection with the amendment of the Inter-Company Reinsurance Pooling Agreement, the SNIC agreement was novated.

#### **Assumed**

The Company assumes an immaterial amount of premium through participation in mandatory workers' compensation pools in Massachusetts, Michigan, New York, and New Mexico. Prior to October 1, 2016, the Company also assumed business from Star pursuant to the above described Inter-Company Reinsurance Agreement and participated in a 100% quota share reinsurance agreement with SNIC.

#### **Ceded**

The Company cedes 100% of its direct and assumed business to Star pursuant to the above described Inter-Company Reinsurance Pooling Agreement.

The Company is contingently liable for all reinsurance losses ceded to others. This contingent liability would become an actual liability in the event that an assuming reinsurer fails to perform its obligations under the reinsurance agreement.

## FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the DIFP and present the financial condition of Savers Property and Casualty Insurance Company for the period ending December 31, 2016. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements. The failure of any column of numbers to add to its respective total is due to rounding or truncation.

There may have been additional differences found in the course of this examination, which are not shown in the comments on financial statement items. These differences were determined to be immaterial concerning their effect on the financial statements and therefore were only communicated to the Company and noted in the workpapers for each individual activity.

|  | <u>Assets</u>               |                          |                             |
|--|-----------------------------|--------------------------|-----------------------------|
|  | Assets                      | Non-Admitted<br>Assets   | Net Admitted<br>Assets      |
| Bonds  | \$ 33,638,917               | \$ -                     | \$ 33,638,917               |
| Cash, cash equivalents and short-term investments  | 2,714,554                   | -                        | 2,714,554                   |
| Other invested assets (Schedule BA)  | 3,863,856                   | -                        | 3,863,856                   |
| Investment income due and accrued  | 399,289                     | -                        | 399,289                     |
| Uncollected premiums and agents' balances in the course of collection                    | 10,532,921                  | 208,301                  | 10,324,620                  |
| Deferred premiums, agents' balances and installments booked but deferred and not yet due | 1,100,541                   | -                        | 1,100,541                   |
| Amounts recoverable from reinsurers  | 5,827,368                   | -                        | 5,827,368                   |
| Net deferred tax asset   | 1,499,112                   | 724,604                  | 774,508                     |
| Guaranty funds receivable or on deposit  | 192                         | -                        | 192                         |
| Receivable from subsidiaries and affiliates  | 3,518                       | -                        | 3,518                       |
| Aggregate write-ins for other-than-invested assets                                       | 30,117                      | -                        | 30,117                      |
| <b>TOTAL ASSETS</b>  | <b><u>\$ 59,610,383</u></b> | <b><u>\$ 932,905</u></b> | <b><u>\$ 58,677,478</u></b> |

**Liabilities, Surplus and Other Funds**

|   |                      |
|---|----------------------|
| Commissions payable, contingent and other similar charges | \$ 473,362           |
| Other expenses  | 68,963               |
| Taxes, licenses and fees                                  | 100,145              |
| Advance premium   | 1,494                |
| Payable to parent, subsidiaries and affiliates            | 98,097               |
| Aggregate write-ins for liabilities                       | 44,537               |
| <b>TOTAL LIABILITIES</b>                                  | <b>\$ 786,599</b>    |
| Common capital stock                                      | 2,500,000            |
| Gross paid in and contributed surplus                     | 32,568,926           |
| Unassigned funds (surplus)                                | 22,821,954           |
| <b>TOTAL SURPLUS</b>                                      | <b>\$ 57,890,879</b> |
| <b>TOTAL LIABILITIES AND SURPLUS</b>                      | <b>\$ 58,677,478</b> |



**Statement of Income****Underwriting Income**

|                                   |             |
|-----------------------------------|-------------|
| Premiums earned                   | \$ -        |
| Deductions:                       |             |
| Losses incurred                   | -           |
| Loss adjustment expenses incurred | -           |
| Net underwriting gain/(loss)      | <u>\$ -</u> |

**Investment Income**

|  |                  |
|--|------------------|
| Net investment income earned           | \$ 4,552,625     |
| Net realized capital gains or (losses) | <u>1,032,011</u> |
| Net investment gain or (loss)          | \$ 5,584,636     |

**Other Income**

|   |                             |
|---|-----------------------------|
| Finance and service charges not included in premiums                  | 1,275                       |
| Miscellaneous other income  | <u>25</u>                   |
| Total other income  | \$ 1,300                    |
| Net income before dividends to policyholders and federal income taxes | \$ 5,585,936                |
| Federal and foreign income taxes incurred                             | <u>(6,454,027)</u>          |
| <b>Net Income</b>   | <b><u>\$ 12,039,963</u></b> |

**Capital and Surplus Account**

|   |                             |
|---|-----------------------------|
| Capital and surplus, December 31, 2015              | \$ 59,037,896               |
| Net income  | 12,039,963                  |
| Change in net unrealized capital gains and (losses) | (237,773)                   |
| Change in net deferred income tax                   | (7,500,892)                 |
| Change in nonadmitted assets                        | 455,476                     |
| Dividends to stockholders                           | <u>(5,903,790)</u>          |
| Net change in capital and surplus                   | \$ (1,147,016)              |
| <b>Capital and Surplus at December 31, 2016</b>     | <b><u>\$ 57,890,879</u></b> |

**FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION**

None

**COMMENTS ON FINANCIAL STATEMENT ITEMS**

None

**SUMMARY OF RECOMMENDATIONS**

None

ACKNOWLEDGMENT

The assistance and cooperation extended by the officers and the employees of Savers Property and Casualty Insurance Company during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned, Sara McNeely, CFE and EIC for the DIFP, participated in this examination.

VERIFICATION

State of Missouri )  
County of Jackson )

I, Laura Church, CPA, CFE, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records or other documents of Savers Property and Casualty Insurance Company, its agents or other persons examined or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs and such conclusions and recommendations as the examiners find reasonably warranted from the facts.

Laura Church, CPA, CFE  
Examiner-In-Charge  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration

Sworn to and subscribed before me this 3<sup>rd</sup> day of April, 2018.

My commission expires: 04/14/2020   
Notary Public



BEVERLY M. WEBB  
My Commission Expires  
April 14, 2020  
Clay County  
Commission #12484070

**SUPERVISION**

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the *Financial Condition Examiners Handbook* has been confirmed, except where practices, procedures and applicable regulations of the DIFP and statutes of the State of Missouri prevailed.

A handwritten signature in black ink, appearing to read "Levi N. Nwasoria", written over a horizontal line.

Levi N. Nwasoria, CPA, CFE

Audit Manager

Missouri Department of Insurance, Financial  
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