

**EXAMINATION REPORT**  
**OF**  
**PARTNERRE AMERICA INSURANCE COMPANY**  
**AS OF**  
**DECEMBER 31, 2020**

TRINIDAD NAVARRO  
COMMISSIONER



STATE OF DELAWARE  
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION  
OF  
PARTNERRE AMERICA INSURANCE COMPANY  
AS OF  
DECEMBER 31, 2020

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

A handwritten signature in blue ink that reads "Trinidad Navarro".

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Trinidad Navarro  
Insurance Commissioner

Dated this 6th day of May, 2022

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February 25, 2022

Honorable Trinidad Navarro  
Commissioner of Insurance  
Delaware Department of Insurance  
1351 West North Street, Suite 101  
Dover, Delaware 19904

Dear Commissioner:

In compliance with instructions and pursuant to statutory provisions contained in Examination Certification No. 21.008, dated January 7, 2021, an examination has been made of the affairs, financial condition and management of

**PARTNERRE AMERICA INSURANCE COMPANY**

hereinafter referred to as the Company or PRAIC. The Company was incorporated under the laws of the State of Delaware as a stock company with its registered office located at 1209 Orange Street, Wilmington, Delaware 19801. The administrative office of the Company is located at 200 First Stamford Place, Stamford, Connecticut 06902. The examination was conducted remotely given office closures and travel restrictions in connection with the COVID-19 pandemic. The report of examination is respectfully submitted.

**SCOPE OF EXAMINATION**

We have performed a multi-state examination of the Company. The last examination was conducted as of December 31, 2015 by the Delaware Department of Insurance (Department). This examination covered the period of January 1, 2016 through December 31, 2020. Our examination was performed as part of the multi-state coordinated examination. The examination was conducted

concurrently with that of the Company's New York domiciled affiliate, Partner Reinsurance Company of the U.S. (PRUS) and Arkansas domiciled affiliate, PartnerRe Life Reinsurance Company of America. To the fullest extent, the efforts, resources, project material and findings were coordinated and made available to all examination participants.

We conducted our examination in accordance with the *National Association of Insurance Commissioners* (NAIC) *Financial Condition Examiners Handbook* (Handbook) and generally accepted statutory insurance examination standards consistent with the Insurance Code and Regulations of the State of Delaware. The NAIC 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. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

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.

This examination report includes significant findings of fact, pursuant to the *General Corporation Laws* of the State of Delaware as required by 18 *Del. C.* § 321, along with general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature, are not included within the examination report but separately communicated to other regulators and/or the Company.

During the course of this examination, consideration was given to work performed by the Company's external accounting firm, Ernst and Young LLP (EY). Certain work papers of from EY's 2020 audit of the Company and certain of its affiliates have been incorporated into the work papers of the examiners. The work papers were utilized in determining the scope, areas of emphasis in conducting the examination and in the area of risk mitigation and substantive testing.

### **SUMMARY OF SIGNIFICANT FINDINGS**

There were no significant findings or material changes in the Company's Financial Statements as a result of this examination.

### **COMPANY HISTORY**

As of December 31, 2008, the Company (then named PARIS RE America Insurance Company) was a wholly owned subsidiary of Paris Re S.A., which was owned by Paris Re Holdings Ltd. On December 7, 2009, PartnerRe Ltd. (PRE Ltd.) acquired Paris Re Holdings Ltd (including Paris Re S.A. and the Company) by way of a stock acquisition. The acquisition was affected through a merger under Swiss law, pursuant to which Paris Re Holdings Ltd. was merged with and into a wholly owned subsidiary of PRE Ltd. At this time, Paris Re Holdings Ltd. ceased to exist. The Company was acquired from Paris Re S.A. by PartnerRe Holdings S.A. (PR Holdings), on November 30, 2010. On December 1, 2012, the Company's name was changed from PARIS RE America Insurance Company to its current name of PRAIC. On December 17, 2012, PR Holdings distributed 100% of the Company's issued and outstanding shares to PartnerRe Holdings Europe Limited (PRHEL) and in turn, PREHEL contributed 100% of the issued and outstanding shares of the Company to PartnerRe U.S. Corporation (PRUS Corp.). Since this time, the Company has been a wholly owned subsidiary of PRUS Corp.

### Capitalization

The Company's Certificate of Incorporation authorizes the issue of 55,000 shares of common stock with a par value of \$60.00 per share. As of December 31, 2020, the Company had 50,000 shares of common stock issued and outstanding totaling \$3 million. All outstanding shares of the Company are owned by PRUS Corp. As of December 31, 2020, the Company reported gross paid in and contributed surplus of \$13.1 million.

### Dividends

The Company paid ordinary shareholder dividends totaling \$32.3 million during the examination period.

## **MANAGEMENT AND CONTROL**

### Directors

Pursuant to the *General Corporation Laws* of the State of Delaware, as implemented by the Company's Certificate of Incorporation and bylaws, the property and affairs of the Company must be exercised by, or under the authority of, its Board of Directors (Board). The bylaws provide that the number of directors that constitute the whole Board should not be less than three members or more than nine members. Each director is elected for a term of one year and until such director's successor is elected and qualified. The Board, by majority vote, may designate one or more committees. Directors duly elected and serving as of December 31, 2020, are as follows:

<u>Name</u>	<u>Title</u>
Jonathan Mark Colello	Chairperson PRAIC President PRUS
Kelly Jean Munger	President PRAIC

Thomas Lester Forsyth	Executive Vice President, General Counsel and Corporate Secretary PRAIC and PRUS
Anthony Frank Albano	Vice President, Chief Financial Officer and Treasurer PRAIC and PRUS
Peter Alain Antal	Head of Capital Risk Partner Reinsurance Europe SE
Marta Juliana Shevchik	Senior Vice President PRAIC and PRUS

### Officers

Officers were elected in accordance with the Company's bylaws during the period under examination. The bylaws require election of a President, Secretary and Treasurer. The primary officers serving as of December 31, 2020, were as follows:

<u>Name</u>	<u>Title</u>
Kelly Jean Munger	President
Jonathan Mark Colello	Chairperson
Thomas Lester Forsyth	Executive Vice President, General Counsel and Corp. Secretary
Anthony Frank Albano	Vice President, Chief Financial Officer and Treasurer
Travis Owen Brenden	Chief Underwriting Officer
Tracy Joan Hastings	Chief Operations Officer
Lisa Ann Fidelibus	Senior Vice President
Dennis Michael Saslofsky	Assistant Vice President
Christopher Andrew Fonseca	Assistant Vice President
Marta Juliana Shevchik	Senior Vice President

### Corporate Records

The recorded minutes of the shareholder and Board were reviewed for the period under examination. The recorded minutes of the Board adequately documented its meetings and approval of Company transactions and events including approval of investment transactions in accordance with 18 *Del. C.* § 1304. In addition, review of Company files indicated that written



correspondence was submitted to the Department with regards to the changes in officers and directors during the period under examination in compliance with 18 *Del. C.* § 4919.

### Insurance Holding Company System

The Company is a member of an insurance holding company system as defined under 18 *Del. C.* § 5001 of the Delaware Insurance Code. The Company is a wholly-owned subsidiary of PRUS Corp., which is ultimately owned and controlled by Mr. John Elkann. The following is an abbreviated organizational chart of the insurance holding company system as of December 31, 2020:

<u>Company</u>	<u>Domicile</u>
John Elkann	Individual
Dicembre s.s. <sup>1</sup>	Italy
Giovanni Agnelli B.V. <sup>2</sup>	Netherlands
EXOR N.V.	Netherlands
Exor Nederland N.V.	Netherlands
PartnerRe Ltd.	Bermuda
PartnerRe Services, Ltd.	Bermuda
Partner Reinsurance Company Ltd.	Bermuda
PartnerRe Holdings Europe Limited	Ireland
PartnerRe Life Reinsurance Company of Canada	Canada
PartnerRe Connecticut, Inc.	Connecticut
PartnerRe Holdings SA	France
PartnerRe Miami, Inc.	Florida
PartnerRe U.S. Corporation	Delaware
<b>PartnerRe America Insurance Company</b>	<b>Delaware</b>
PartnerRe Reinsurance Company of the U.S.	New York
PartnerRe Life Reinsurance Company of America	Arkansas
PartnerRe Asset Management Corporation	Delaware
Presidio Reinsurance Group, Inc.	Delaware
Presidio Excess Insurance Services, Inc.	California

<sup>1</sup> Dicembre s.s. holds 37.29% of the voting interest in Giovanni Agnelli B.V. as of December 31, 2020.

<sup>2</sup> Giovanni Agnelli B.V. holds 55.29% of the voting interest in EXOR N.V. as of December 31, 2020.

### Agreements with Affiliates

The following is a summary of the Company's significant affiliated agreements in force as of December 31, 2020:

*Capital Management Maintenance Agreement*

Effective July 1, 2010, the Company entered into a Capital Management Maintenance Agreement with PRE Ltd. The agreement provides PRE Ltd. will deliver financial support to the Company based on certain financial thresholds. The aggregate amount of contributions allowed during the life of the agreement is \$200 million. No contributions have been made related to this agreement since its inception.

*Guarantee Agreement*

Effective December 31, 2013, the Company entered into a guarantee with Partner Reinsurance Company Ltd. (PartnerRe Bermuda) whereby PartnerRe Bermuda guarantees to the Company all present and future obligations of each reinsurer when such reinsurer is unable to meet any or all its obligations to pay the Company pursuant to the terms of the applicable reinsurance agreement.

*Management and Service Agreements*

Effective January 1, 2012, the Company entered into a Master Service Agreement with affiliates PartnerRe Miami, Inc. (PREMI) and PartnerRe Connecticut, Inc. (PRECT). Under the terms of this agreement, PREMI provides claims, reinsurance accounting, finance and accounting, legal and corporate compliance, reserving, office management, executive and corporate human resources and information technology services to the Company. Additionally, PRECT provides finance, accounting, legal, corporate compliance and office management to the Company.

Effective June 1, 2013, the Company entered into a Services Agreement with affiliate Presidio Excess Insurance Services, Inc. (PXS). Under the terms of this agreement, the Company provides actuarial, cash management and treasury, claims and cost management, finance and external communication, financial controlling, general accounting and reporting, information

technology, organization, security and internal communication, tax, compliance and legal, technical accounting, technical support for underwriting and underwriting services to PXS.

Effective January 1, 2014, the Company entered into a Service Agreement with PRUS. Under the terms of the agreement, the Company provides advice and assistance in the areas of administration, legal, claims, underwriting support services and accounting with respect to accident and health reinsurance products to PRUS.

Effective September 1, 2014, the Company entered into a Service Agreement with PRUS and various affiliates whereby PRUS provides claims, underwriting, accounting, legal services and other resources to the Company. Other participating affiliates receive various services from PRUS as specified in the agreement.

Effective November 8, 2014, the Company entered into a Service Agreement with PartnerRe Management Ltd (PREM Ltd.) in which PREM Ltd. agreed to provide the Company with consulting, marketing, administrative services and other resources related to accident and health reinsurance contracts.

Effective May 20, 2016, the Company entered into a Service Agreement with PartnerRe Services Ltd (PR Services) and various other affiliates whereby PR Services provides information technology services to all participants.

Effective November 1, 2017, the Company entered into a Service Agreement with PartnerRe Life Reinsurance Company of Canada (PLRC). Under the terms of the agreement, the Company appointed PLRC to provide human resource management with overall responsibility for all human resources activities including organizational design, change management, talent management, talent rewards attraction and retention and employee relations strategies.

*Advisement and Investment Management Agreement*

Effective August 15, 2018, the Company entered into an Amended & Restated Advisement & Investment Management Agreement with affiliate PartnerRe Asset Management Corporation (PRAM), whereby PRAM is authorized to act as the Company's investment manager and attorney-in-fact, to provide the Company with investment management and investment advice and recommendations, with respect to certain assets within its investment portfolios.

*Tax Allocation Agreement*

The Company became a party to Tax Allocation Agreement by and among PRUS Corp. and other specified affiliates effective December 3, 2012, and last amended July 29, 2019. Under the terms of the agreement, PRUS Corp. computes the federal tax liability and the liability for each member of the group. The federal income tax provision is computed on a separate return basis and provides that the members of the consolidated group receive reimbursement for any foreign tax credits, investment credits, losses of any loss carry over generated by it, to the extent actually used in the consolidated return and not used by the group in computing its separate return liability.

**TERRITORY AND PLAN OF OPERATION**

The Company is licensed or authorized to transact business in all 50 states and the District of Columbia. The Company is engaged in the business of accident and health (A&H) and property and casualty insurance and reinsurance. The Company is primarily engaged in the business of accident and health insurance and reinsurance. The property and casualty insurance and reinsurance written by the Company comprises a small portion of its overall premium and in-force business.

The Company's A&H business is direct insurance and assumed reinsurance offered to entities bearing medical risk such as Health Maintenance Organizations (HMOs), self-funded employers, insurance companies, Accountable Care Organizations and provider organizations.

The Company's largest product line is HMO reinsurance, an excess of loss reinsurance product offered to HMOs. The Company also writes several other health product lines including medical reinsurance, employer stop loss and provider stop loss. The largest portion of the Company's premium volume comes from assumed reinsurance (such as the HMO and medical reinsurance product lines) and the remainder of its premium volume is direct insurance (such as the employer stop loss and provider stop loss product lines).

The Company's property and casualty insurance and reinsurance business consists primarily of the following segments: automobile (private passenger auto liability and auto physical damage), facultative (international) and reinsurance (non-proportional assumed property).

### **REINSURANCE**

The Company reported direct, assumed, and ceded premiums for the years ended December 31, 2020, and the prior examination date of December 31, 2015, as follows:

	2020	% of Total Gross & Assumed Business	2015	% of Total Gross & Assumed Business
Direct Business	\$ 88,372,543	23.10%	\$ 89,844,279	23.62%
Reinsurance assumed (from affiliates)	-	0.00%	-	-
Reinsurance assumed (from non-affiliates)	294,112,104	76.90%	290,515,657	76.38%
Gross direct and assumed business	<u>\$ 382,484,647</u>	<u>100.00%</u>	<u>\$ 380,359,936</u>	<u>100.00%</u>
Reinsurance ceded (to affiliates)	191,964,179	50.19%	289,963,911	76.23%
Reinsurance ceded (to non-affiliates)	164,546,634	43.02%	58,169,913	15.29%
Net direct and assumed business	<u>\$ 25,973,834</u>	<u>6.79%</u>	<u>\$ 32,226,112</u>	<u>8.48%</u>

#### *Assumed Reinsurance*

The majority of the Company's business is derived from the sale of reinsurance to third parties. The Company's assumed reinsurance business consists primarily of reinsurance products offered to entities bearing medical risk and includes excess of loss reinsurance and medical

reinsurance. Additionally, the Company assumes a relatively small amount of property and casualty business on both traditional proportional and excess of loss basis. The assumed premium growth versus the prior examination relates primarily to the PRE Ltd.'s expansion of its PartnerRe Health business unit.

#### *Ceded Reinsurance*

The Company cedes the majority of its business to affiliates or to third parties in accordance with the overall PartnerRe corporate strategy.

Historically, most of the Company's business has been ceded under various affiliated reinsurance agreements. The following is a summary of the Company's affiliated ceded reinsurance program.

- Effective January 1, 2013, the Company entered into a Loss Portfolio Reinsurance Agreement with affiliate PRUS. Under the terms of the agreement, the Company ceded 100% of its reinsurance liabilities recorded at December 31, 2012, including unearned premium reserves to PRUS.
- Effective January 1, 2020, the Company entered into a Quota Share Retrocession Agreement with PRUS. Under the terms of the agreement, PartnerRe US accepts a 90% quota share participation in the Company's new and renewal business for the 2020 underwriting year, covering all lines of business. The Company maintained a similar quota share agreement with PRUS for the underwriting years 2013 through 2017 and 2019.
- Effective January 1, 2019, the Company entered into a Stop Loss Reinsurance Agreement with PartnerRe Bermuda. Under the terms of the agreement, PartnerRe Bermuda shall be liable for the amount by which the Company's Aggregate Ultimate Loss for the 2019 Calendar Year exceeds a Loss Ratio of 150% for the Calendar Year, subject to a maximum

amount of Aggregate Ultimate Net Loss to PartnerRe Bermuda for the term covered under the Agreement, not to exceed a Loss Ratio of 200%, in excess of the 150% Loss Ratio retention by the Company and as further detailed in the Agreement. The Company did not renew its Stop Loss Reinsurance Agreement in 2020.

The Company's third-party ceded reinsurance program consists of agreements with a number of authorized and unauthorized reinsurers mainly through excess of loss and quota share treaties. The third-party ceded reinsurance program is supported by an agreement with PartnerRe Bermuda whereby PartnerRe Bermuda guarantees all present and future obligations of each reinsurer should the reinsurer fail to meet any or all its obligations to pay the Company pursuant to the terms of the applicable reinsurance agreement.

### **FINANCIAL STATEMENTS**

Financial Statements as reported and filed by the Company with the Department are reflected in the following:

- Statement of Assets as of December 31, 2020
- Statement of Liabilities, Surplus and Other Funds as of December 31, 2020
- Statement of Income for the Year Ended December 31, 2020
- Reconciliation of Capital and Surplus for the Period from the Prior Examination as of December 31, 2015 to December 31, 2020

Statement of Assets  
As of December 31, 2020

	Ledger Assets	Assets Not Admitted	Net Admitted Assets
Bonds	\$ 112,376,667	\$ -	\$ 112,376,667
Cash	69,425,067	-	69,425,067
Receivables for securities	196,909	-	196,909
Subtotals, cash and invested assets	<u>\$ 181,998,643</u>	<u>\$ -</u>	<u>\$ 181,998,643</u>
Investment income due and accrued	294,420	-	294,420
Uncollected premiums and agents' balances	66,348,870	220,192	66,128,678
Deferred premiums, earned but unbilled	1,791,752	-	1,791,752
Amounts recoverable from reinsurers	49,259,647	-	49,259,647
Funds held by or deposited with reinsured companies	2,451,687	-	2,451,687
Current federal income tax recoverable	4,285,050	-	4,285,050
Net deferred tax asset	540,345	-	540,345
Furniture and equipment	1,184,085	1,184,085	-
Aggregate write-ins for other than invested assets	<u>1,049,199</u>	<u>1,049,199</u>	<u>-</u>
 Total assets	 <u><u>\$ 309,203,698</u></u>	 <u><u>\$ 2,453,476</u></u>	 <u><u>\$ 306,750,222</u></u>



Statement of Liabilities, Capital and Surplus  
As of December 31, 2020

Losses	\$ 24,530,019
Reinsurance payable on paid losses and loss adjustment expenses	178,530
Loss adjustment expenses	2,167,845
Commissions payable, contingent commissions and other similar	17,684,458
Other expenses	3,064,401
Taxes, licenses and fees	1,375,807
Unearned premiums	227,786
Ceded reinsurance premiums payable	98,694,025
Funds held by company under reinsurance treaties	110,612,594
Amounts withheld or retained on account of others	47,233
Remittances and items not allocated	(13,315,231)
Provision for reinsurance	123,438
Payable to parent, subsidiaries and affiliates	3,954,483
Payable for securities	<u>925</u>
 Total liabilities	 \$ <u>249,346,313</u>
 Common capital stock	 \$ 3,000,000
Gross paid in and contributed surplus	13,065,713
Unassigned funds (surplus)	<u>41,338,196</u>
 Total capital and surplus	 \$ <u>57,403,909</u>
 Total liabilities, capital and surplus	 \$ <u><u>306,750,222</u></u>

Statement of Income  
For the Year Ended December 31, 2020

**UNDERWRITING INCOME**

Premiums earned	\$ 26,125,105
Losses incurred	\$ 19,308,756
Loss adjustment expenses incurred	2,387,335
Other underwriting expenses incurred	<u>2,240,654</u>
Total underwriting deductions	<u>\$ 23,936,745</u>
 Net underwriting gain (loss)	 <u>\$ 2,188,360</u>

**INVESTMENT INCOME**

Net investment income	\$ 4,035,071
Net realized capital gains (losses)	<u>2,944,895</u>
Total net investment gain (loss)	<u>\$ 6,979,966</u>

**OTHER INCOME**

Net gain or (loss) from agents' or premium balances charged off	\$ -
Finance and service charges not included in premiums	-
Aggregate write-ins for miscellaneous income	<u>(971,876)</u>
Total other income	\$ (971,876)
 Net gain from operations before federal income tax	 <u>\$ 8,196,450</u>
 Federal and foreign income taxes incurred (benefit)	 <u>(3,361,078)</u>
 Net income (loss)	 <u><u>\$ 11,557,528</u></u>

**Reconciliation of Capital and Surplus  
for the Period from the Prior Examination  
as of December 31, 2015 to December 31, 2020**

	Common Capital Stock	Gross Paid-in & Contributed Surplus	Unassigned Funds Surplus	Total
Balance at December 31, 2015	\$ 3,000,000	\$ 53,699,486	\$ 71,654,133	\$ 128,353,619
2016 Net income (loss)	-	-	770,686	770,686
2016 Other Changes <sup>1</sup>	-	-	(35,729)	(35,729)
2016 Gross Paid-in & Contributed Surplus		(633,773)	-	(633,773)
2016 Dividends <sup>2</sup>	-	-	(12,500,000)	(12,500,000)
Balance at December 31, 2016	<u>\$ 3,000,000</u>	<u>\$ 53,065,713</u>	<u>\$ 59,889,090</u>	<u>\$ 115,954,803</u>
2017 Net income (loss)	-	-	(4,479,411)	(4,479,411)
2017 Other Changes <sup>1</sup>	-	-	(1,424,606)	(1,424,606)
Balance at December 31, 2017	<u>\$ 3,000,000</u>	<u>\$ 53,065,713</u>	<u>\$ 53,985,073</u>	<u>\$ 110,050,786</u>
2018 Net income (loss)	-	-	404,076	404,076
2018 Other Changes <sup>1</sup>	-	-	(2,161,802)	(2,161,802)
Balance at December 31, 2018	<u>\$ 3,000,000</u>	<u>\$ 53,065,713</u>	<u>\$ 52,227,347</u>	<u>\$ 108,293,060</u>
2019 Net income (loss)	-	-	(6,101,805)	(6,101,805)
2019 Other Changes <sup>1</sup>	-	-	6,769,645	6,769,645
2019 Dividends <sup>2</sup>	-	-	(10,000,000)	(10,000,000)
Balance at December 31, 2019	<u>\$ 3,000,000</u>	<u>\$ 53,065,713</u>	<u>\$ 42,895,187</u>	<u>\$ 98,960,900</u>
2020 Net income (loss)	-	-	11,557,528	11,557,528
2020 Other Changes <sup>1</sup>	-	-	(3,314,519)	(3,314,519)
2020 Gross Paid-in & Contributed Surplus <sup>3</sup>	-	(40,000,000)	-	(40,000,000)
2020 Dividends <sup>2</sup>	-	-	(9,800,000)	(9,800,000)
Balance at December 31, 2020	<u>\$ 3,000,000</u>	<u>\$ 13,065,713</u>	<u>\$ 41,338,196</u>	<u>\$ 57,403,909</u>

<sup>1</sup> Other Changes in Unassigned Funds (Surplus) for each year may include: Change in net unrealized capital gains/losses, Change in net deferred income taxes, Change in non-admitted assets, Change in the provision for reinsurance and Surplus adjustments.

<sup>2</sup> Dividends: A \$12.5 million ordinary dividend was declared on November 2, 2016 and paid November 10, 2016. A \$10.0 million ordinary dividend was declared on August 5, 2019 and paid on September 13, 2019. A \$9.8 million ordinary dividend was declared on September 8, 2020 and paid on September 23, 2020. All dividends were properly filed with the Department.

<sup>3</sup> On December 1, 2020, the Company declared by a unanimous written consent of the Board, a return of capital in the amount of \$40 million to its parent PRUS Corp, which was paid on December 23, 2020. The Company received the prior approval for the return of capital from the Department and the California Insurance Commissioner.

**ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE EXAMINATION**

There were no changes made to the Company's Financial Statements as a result of this examination.

**COMMENTS ON FINANCIAL STATEMENT ITEMS**

**Note 1:**

Losses	\$24,530,019
Loss Adjustment Expenses	2,167,845

Pinnacle Actuarial Resources, Inc. (Pinnacle) was engaged by the New York Department of Financial Services to perform a review of the PRUS and the Company's loss and loss adjustment expense reserves as of December 31, 2020, on behalf of this multi-state coordinated examination. Additionally, the Department retained the actuarial services of INS Consultants, Inc. (INS) to perform a limited scope review of the Company's loss and loss expense reserves. Pinnacle and INS are collectively referred to as the Consulting Actuary. The examination included a review of the inherent risks, management oversight and other mitigating controls over the Company's actuarial processes and procedures. The Consulting Actuary performed an independent reserve analysis including an assessment of the Company's reserves for compliance with applicable *Actuarial Standards of Practice* and the *NAIC Accounting Practices and Procedures Manual*.

**SUBSEQUENT EVENTS**

Subsequent events were evaluated through the date that this examination report was available to be issued. No items were noted for disclosure.

**SUMMARY OF RECOMMENDATIONS**

There were no recommendations as a result of this examination.

**CONCLUSION**

The assistance and cooperation of examiners representing the state on the coordinated examination is acknowledged. In addition, the consulting information technology specialist, Accume Partners; the consulting actuarial firms, Pinnacle and INS; the Company's external audit firm, EY and the Company's management and staff was appreciated and is acknowledged.

Respectfully submitted,



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Patrick White, CFE  
Examiner In-Charge  
State of Delaware



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Richard Palmatary, CFE  
Supervising Examiner  
State of Delaware

PartnerRe America Insurance Company

I, Patrick White, hereby verify and attest, under penalty of perjury, that the above is a true and correct copy of the examination report and findings submitted to the Delaware Department of Insurance pursuant to Examination Certification No. 21.008.

A handwritten signature in black ink that reads "Patrick White". The signature is written in a cursive style with a horizontal line underneath the name.

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Patrick White, CFE