

STATE OF INDIANA                                 )  
  ) SS:         BEFORE THE INDIANA  
COUNTY OF MARION                                 )         COMMISSIONER OF INSURANCE

IN THE MATTER OF:

LM Property and Casualty Insurance Company  
175 Berkeley Street  
Boston, Massachusetts 02116

Examination of: LM Property and Casualty Insurance Company

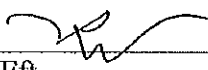
**NOTICE OF ENTRY OF ORDER**

Enclosed is the Final Order entered by Holly W. Lambert, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of LM Property and Casualty Insurance Company, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as amended by the Final Order, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of LM Property and Casualty Insurance Company, shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

6/25/2025  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Roy Eft  
Chief Financial Examiner

**CERTIFIED MAIL NUMBER: 7004 1160 0000 3835 5991**

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION ) COMMISSIONER OF INSURANCE

IN THE MATTER OF:

**LM Property and Casualty Insurance Company**  
**175 Berkeley Street**  
**Boston, Massachusetts 02116**

Examination of: **LM Property and Casualty Insurance Company**

## FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the LM Property and Casualty Insurance Company, (hereinafter “Company”) for the time period January 1, 2019, through December 31, 2023.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter “Commissioner”) by the Examiner on May 22, 2025.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on May 23, 2025, and was received by the Company on June 2, 2025.

On June 13, 2025, pursuant to Ind. Code § 27-1-3.1-10, the Company filed a response to the Verified Report of Examination. The Commissioner has fully considered the Company's response.

NOW THEREFORE, based on the Verified Report of Examination and the response filed by the Company, the Commissioner hereby FINDS as follows:


1. The suggested modifications to the Verified Report of Examination submitted by the Company are reasonable and shall be incorporated into the Verified Examination Report. A copy of the Verified Report of Examination, as amended, is attached hereto.

2. The Verified Report of Examination, as amended, is true and accurate report of the financial condition and affairs of the Company as of December 31, 2023.
3. The Examiners' recommendations are reasonable and necessary in order for the Company to comply with the insurance laws of the state of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, as amended, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.
2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination, as amended. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.
3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed this 25<sup>th</sup> day of  
June, 2025.

  
\_\_\_\_\_  
Holly W. Lambert  
Insurance Commissioner  
Indiana Department of Insurance

### **ABOUT AFFIRMATIONS**

The following pages for affirmations need to be signed by each Board Member and returned to the Indiana Department of Insurance within thirty (30) days in accordance with I.C. §27-1-3.1-12(b).

If your affirmations list individuals that are no longer on your Board of Directors, you may simply retype the form on plain white paper with the correct names and a line to the right for signature. If the names are misspelled, you may do the same, simply re-type the corrected form with a line to the right for signature.

Should you have any questions or difficulties with these forms or you require additional time past the thirty (30) day requirement, please do not hesitate to contact this department at (317) 232-2390.

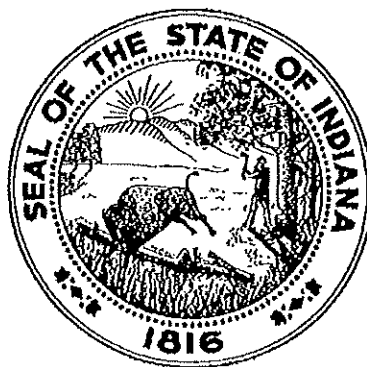
**STATE OF INDIANA**  
**Department of Insurance**  
**REPORT OF EXAMINATION**  
**OF**

**LM PROPERTY AND CASUALTY INSURANCE COMPANY**

NAIC Co. CODE 32352  
NAIC GROUP CODE 0111

As of

December 31, 2023



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# STATE OF INDIANA

MIKE BRAUN, GOVERNOR

## Indiana Department of Insurance

Holly W. Lambert, Commissioner  
311 W. Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: 317-232-3520  
Fax: 317-232-5251  
Website: [in.gov/doi](http://in.gov/doi)

May 22, 2025

Honorable Holly W. Lambert, Commissioner  
Indiana Department of Insurance  
311 West Washington Street, Suite 300  
Indianapolis, Indiana 46204-2787

Dear Commissioner:

Pursuant to the authority vested in Appointment Number 4190, an examination has been made of the affairs and financial condition of:

**LM Property and Casualty Insurance Company**  
**175 Berkeley Street**  
**Boston, Massachusetts 02116**

hereinafter referred to as the "Company," or "LMPAC," an Indiana domestic stock, property and casualty insurance company. The examination was conducted remotely with assistance from the corporate office staff in Boston, Massachusetts.

The Report of Examination, reflecting the status of the Company as of December 31, 2023, is hereby respectfully submitted.

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES 317-232-2389	COMPANY COMPLIANCE 317-232-3495	CONSUMER SERVICES 317-232-2395/1-800-622-4461	FINANCIAL SERVICES 317-232-2390	MEDICAL MALPRACTICE 317-232-5253	COMPANY RECORDS 317-232-2383	STATE HEALTH INSURANCE PROGRAM 1-800-452-4800
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## SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI) and covered the period from January 1, 2014, through December 31, 2018. The present risk-focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2019, through December 31, 2023, and included any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination.

The examination was conducted in accordance with the NAIC *Financial Condition Examiners Handbook* (Handbook). 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. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

The examination of the Massachusetts domestic insurance companies of Liberty Mutual Group (LMG) was called by the Massachusetts Division of Insurance (Division) in accordance with the Handbook guidelines, through the NAIC's Financial Examination Electronic Tracking System. The Division served as the lead state on the examination, and the INDOI and the insurance departments from Arizona, California, Connecticut, Illinois, Iowa, Minnesota, New Hampshire, Ohio, Oregon, Texas, and Wisconsin served as participants.

The actuarial specialists of Risk & Regulatory Consulting LLC provided all actuarial services throughout the examination and conducted a review of the Company's actuarial-related risks as of December 31, 2023.

The investment specialists of Risk & Regulatory Consulting LLC provided all investment services throughout the examination and conducted a review of the Company's investment-related risks as of December 31, 2023.

The information technology specialists of Risk & Regulatory Consulting, LLC provided all information technology services throughout the examination and conducted a review of the Company's IT Environment and related risks as of December 31, 2023.

The reinsurance specialist of Risk & Regulatory Consulting, LLC provided all reinsurance services throughout the examination and conducted a review of the Company's reinsurance program and related risks as of December 31, 2023.

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, as mentioned in the Indiana Code (IC) 27-1-3.1-10 and general information about the insurer 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.



## HISTORY

A predecessor to the Company was originally incorporated on March 9, 1972, under the laws of the state of Illinois, as Pruco General Insurance Company (Pruco). Pruco became licensed to commence business on March 31, 1972, and adopted the name Prudential Property and Casualty Company (PruPac).

The entity that eventually became LMPAC was incorporated as Monmouth Property and Casualty Insurance Company (Monmouth) on January 2, 1975, under the laws of the state of New Jersey, to act as a vehicle for the re-domestication of the Company from Illinois to New Jersey. On December 31, 1975, the Company, as the surviving entity of a merger with Monmouth and PruPac, changed its name to Prudential Property and Casualty Insurance Company. Effective January 1, 1987, the Company re-domesticated from New Jersey to Indiana.

On November 1, 2003, Liberty Mutual Insurance Company (LMIC) acquired the Company, along with two (2) other affiliates, Prudential Commercial Insurance Company (PruCom) and Prudential General Insurance Company (PruGen), from Prudential Financial, Inc. (Prudential). Liberty Mutual Holding Company Inc. (LMHC), a Massachusetts mutual holding company, is the parent of LMIC. On the same day, LMHC made a capital contribution of the Company, PruCom, and PruGen to LMIC. As a result of the acquisition, LMHC became the new ultimate parent. LMHC was formed in 2001 as a part of the mutual holding company reorganization of LMIC.

## CAPITAL AND SURPLUS

LMIC owned 100% of the Company's issued and outstanding stock as of the examination date. There were 800 authorized, issued, and outstanding shares of common stock throughout the examination period, with a par value of \$5,500 per share.

No capital contributions were made or received during the examination period.

## DIVIDENDS TO STOCKHOLDERS

No dividends were paid to the stockholder during the examination period.

## MANAGEMENT AND CONTROL

### Directors

The Bylaws provide that the business affairs of the Company are to be managed by a Board of Directors (Board) consisting of no less than five (5) and no more than eighteen (18) directors. At least one (1) of the directors must be a resident of Indiana. Directors shall be elected at the first annual shareholders' meeting and at each annual meeting thereafter. A director need not be a shareholder.

The following is a listing of persons serving as directors as of December 31, 2023, and their principal occupations as of that date:

<u>Name and Address Location</u>	<u>Principal Occupation</u>
James Czapla Marblehead, Massachusetts	Deputy General Counsel, U.S. Retail Markets Liberty Mutual Group Inc.
Matthew Dolan Avon, Connecticut	President, Ironshore, Global Risk Solutions Liberty Mutual Group Inc.
Alison Erbig Stoneham, Massachusetts	Chief Financial Officer, Global Risk Solutions Liberty Mutual Group Inc.
Michael Fallon Bedford, Massachusetts	President, Major Accounts, Global Risk Solutions Liberty Mutual Group, Inc.
Damon Hart Brookline, Massachusetts	Secretary, Chief Legal Officer Liberty Mutual Group, Inc.
Matthew Johnson Boston, Massachusetts	Chief Financial Officer, U.S. Retail Markets Liberty Mutual Group, Inc.
Hamid Mirza Norwell, Massachusetts	President, U.S. Retail Markets Liberty Mutual Group Inc.
Elizabeth Morahan Newtonville, Massachusetts	Deputy General Counsel, Global Risk Solutions Liberty Mutual Group Inc.
Paul Sanghera Medfield, Massachusetts	Comptroller, Executive Vice President Liberty Mutual Group Inc.
John Seeber, Jr. Indianapolis, Indiana	Senior Underwriting Manager Liberty Mutual Group Inc.

#### Officers

The Bylaws state that the elected officers of the Company shall consist of a President, one (1) or more Vice Presidents, a Secretary, a Comptroller, and a Treasurer or any such officer as the President or Chairman may determine is required in the best interest of LMPAC.

The following is a list of key officers and their respective titles as of December 31, 2023:

<u>Name</u>	<u>Office</u>
Hamid Mirza	President and Chief Executive Officer
Damon Hart	Executive VP, Chief Legal Officer and Secretary
Nikos Vasilakos	Executive VP and Treasurer
Christopher Peirce	Executive VP and Chief Financial Officer
Paul Sanghera	Executive VP and Comptroller
Vlad Barbalat	Executive VP and Chief Investment Officer

### CONFLICT OF INTEREST

Directors and officers are required to review and sign Conflict of Interest statements annually. It was determined that all directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their statements as of December 31, 2023.

### OATH OF OFFICE

IC 27-1-7-10(i) stipulates that every director, when elected, shall take and subscribe to an oath stating that he or she will faithfully, honestly, and diligently administer the affairs of the Company and will not knowingly violate any of the laws applicable to such Company. It was determined that all directors listed in the Management and Control section of this Report of Examination have subscribed to an oath as of December 31, 2023.

### CORPORATE RECORDS

#### Articles of Incorporation

There were no amendments made to the Articles of Incorporation during the examination period.

#### Bylaws

There were no amendments made to the Bylaws during the examination period.

#### Minutes

The Board and shareholders' meeting minutes were reviewed for the period under examination through the fieldwork date. Significant actions taken during each meeting were noted.

IC 27-1-7-7(b) states an annual meeting of shareholders, members, or policyholders shall be held within five (5) months after the close of each fiscal year of the Company and at such time within that period as the Bylaws may provide. The Company's Bylaws specify the annual meeting of shareholders is to be held within five (5) months after the end of the fiscal year. For each year under review, the annual meeting of shareholders was held within five (5) months following the close of each fiscal year.

The committee meeting minutes for LMHC during the examination period, and through the fieldwork date, were reviewed for the following committees: Finance and Audit Committee, Compensation Committee, Executive Committee, Investment Committee, Governance and Sustainability Committee, and Risk Committee.

## AFFILIATED COMPANIES

### Organizational Structure

The following abbreviated organizational chart shows the Company's parent and affiliates as of December 31, 2023, that were included in this examination:

	NAIC Code	Co.	Domiciliary State/Country
Liberty Mutual Holding Company Inc.			MA
LMHC Massachusetts Holding Inc.			MA
Liberty Mutual Group Inc.			MA
State Automobile Mutual Insurance Company	25135		OH
State Auto Holdings, Inc.			OH
Meridian Security Insurance Company	23353		IN
Liberty Mutual Insurance Company	23043		MA
LM Property and Casualty Insurance Company	32352		IN
Ohio Casualty Corporation			OH
The Ohio Casualty Insurance Company	24074		NH
West American Insurance Company	44393		IN
Liberty Insurance Holdings, Inc.			DE
Liberty Mutual Agency Corporation			DE
Peerless Insurance Company	24198		NH
Liberty-USA Corporation			DE
The National Corporation			IN
National Insurance Association	27944		IN
Indiana Insurance Company	22659		IN
Consolidated Insurance Company	22640		IN
Safeco Corporation			WA
American States Insurance Company	19704		IN
General Insurance Company of America	24732		NH
Safeco Insurance Company of Indiana	11215		IN
American States Preferred Insurance Company	37214		IN
American Economy Insurance Company	19690		IN
American States Insurance Company of Texas	19712		TX

### Affiliated Agreements

The following affiliated agreements and transactions were disclosed as part of the Form B – Holding Company Registration Statement and were filed with the INDOI, as required, in accordance with IC 27-1-23-4.

#### *Management Services Agreement*

Effective October 31, 2003, the Company is a party to a Management Services Agreement under which LMIC provides services of personnel, office space, supplies, equipment, telephone and wire services, and the use of computers and similar machines to the extent necessary or appropriate. Pursuant to the terms of this Agreement, LMPAC paid no fees in 2023.

#### *Investment Management Agreement*

Effective July 1, 2011, LMPAC entered into an Investment Management Agreement with Liberty Mutual Group Asset Management Inc. (LMGAM). The Agreement was filed with the INDOI on May 17, 2011, and was not disapproved on June 15, 2011. Pursuant to this Agreement, LMPAC paid management fees to LMGAM of \$63,475 in 2023.

#### *Property & Casualty Agency Agreement*

Effective April 11, 2022, LMPAC entered into a Property & Casualty Agency Agreement with Comparion Insurance Agency, LLC (CIA) whereby CIA is appointed as property-casualty insurance agent of the Company. A Form D was filed with the INDOI on February 25, 2022, and was not disapproved on April 11, 2022.

#### *Agent-Company Agreement*

Effective October 31, 2003, LMPAC is party to an Agent-Company Agreement under which Helmsman Insurance Agency LLC (formerly Helmsman Insurance Agency, Inc.) provides all usual and customary services of an insurance agent on all insurance contracts placed by Helmsman Insurance Agency LLC. Pursuant to the terms of this Agreement, LMPAC paid no fees in 2023.

#### *Cash Management Agreement*

Effective January 1, 2016, LMPAC entered into a Cash Management Agreement with LMIC whereby LMIC will provide short-term cash liquidity pool management services to LMPAC. The Agreement was filed with the INDOI on October 7, 2015, and was not disapproved on November 5, 2015. Pursuant to the terms of this Agreement, LMPAC paid no fees in 2023.

#### *Federal Tax Sharing Agreement*

Effective January 1, 2002, LMPAC entered into a Federal Tax Sharing Agreement with LMHC and affiliates. The Agreement has been amended four (4) times to change language or add additional affiliates to the Agreement. Under this Agreement, the method of allocation is based upon separate return allocation with credit applied for losses as appropriate. LMPAC has the enforceable right to recoup prior year payments in the event of future losses. The Agreement may be terminated for any party when that entity is no longer a member of the consolidated group for tax filing purposes. The Agreement was submitted to the INDOI on March 11, 2003, and not disapproved on April 3, 2003.

### **FIDELITY BOND AND OTHER INSURANCE**

The Company protects itself against loss from any fraudulent or dishonest acts by any employees through a fidelity bond issued by National Union Fire Insurance Company of Pittsburgh, PA. The bond has an aggregate limit of liability of \$30 million and a single loss coverage limit of \$15 million with a \$10 million deductible. The fidelity bond is adequate to meet the prescribed minimum coverage specified by the NAIC.

The Company had additional types of coverage in-force as of December 31, 2023, including but not limited to automobile liability, commercial general liability, financial institution bond, miscellaneous professional liability, specialty risk and umbrella liability.

## TERRITORY AND PLAN OF OPERATION

The Company is licensed to conduct business in forty-nine (49) states and the District of Columbia, excluding only the state of New Jersey. The Company cedes all business to LMIC, pursuant to the quota share agreement, but premium writings of the Company have been negligible during each year of the examination period. The primary operations of the Company consist of run-off business that began November 1, 2003.

Upon its acquisition by LMIC, LMPAC was put into run-off with the existing book of automobile insurance business being 100% reinsured by LMIC and renewed by existing affiliates. The business that remains is a combination of state pools and facilities for the automobile insurance business, and a block of asbestos and environmental reserves that is reinsured by Vantage Casualty Insurance Company, a Prudential subsidiary.

The Company came out of run-off in 2020 and began writing business. Direct premiums written consisted mostly of homeowners' multiple peril written in Massachusetts.

## REINSURANCE

### Ceded Reinsurance

Since November 1, 2003, the Company has managed two (2) blocks of business in run-off and reinsures 100% of its direct writings (excluding excluded business, as defined in the agreement) to LMIC. As of December 31, 2023, the Company recorded reinsurance recoverable amounts from the Michigan Catastrophic Claims Association, New Jersey Unsatisfied Claim and Judgment Fund, and Excess and Casualty Reinsurance Association totaling approximately \$114 million. The reinsurance recoverable amount from Vantage Casualty Insurance Company on the asbestos and environmental block of business in run-off was \$11.2 million as of December 31, 2023.

### Assumed Reinsurance

No business was assumed by the Company during the examination period.

## FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the company with the INDOI and present the financial condition of the company for the period ending December 31, 2023. 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.

LM PROPERTY AND CASUALTY INSURANCE COMPANY

Assets

As of December 31, 2023

	Per Company
Bonds	\$ 39,759,444
Cash, cash equivalents and short-term investments	211,442
Receivables for securities	16,875
Subtotals, cash and invested assets	39,987,761
Investment income due and accrued	286,357
Premiums and considerations:	
Uncollected premiums and agents' balances in course of collection	3,550
Reinsurance:	
Amounts recoverable from reinsurers	15,927,092
Funds held by or deposited with reinsured companies	9,755
Receivables from parent, subsidiaries and affiliates	4,868
Aggregate write-ins for other than invested assets	1
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	56,219,384
Totals	\$ 56,219,384

LM PROPERTY AND CASUALTY INSURANCE COMPANY  
Liabilities, Surplus and Other Funds  
As of December 31, 2023

	<u>Per Company</u>
Losses	\$ 8,438,486
Reinsurance payable on paid losses and loss adjustment expenses	171,147
Current federal and foreign income taxes on realized capital gains (losses)	3,580
Funds held by company under reinsurance treaties	565,321
Provision for reinsurance	1,920,000
Payable to parent, subsidiaries and affiliates	4,848,880
Total liabilities excluding protected cell liabilities	<u>15,947,414</u>
Total liabilities	<u>15,947,414</u>
Common capital stock	4,400,000
Gross paid in and contributed surplus	32,539,064
Unassigned funds (surplus)	3,332,906
Surplus as regards policyholders	<u>40,271,970</u>
Totals	<u>\$ 56,219,384</u>



LM PROPERTY AND CASUALTY INSURANCE COMPANY  
Statement of Income  
For the Year Ended December 31, 2023

	Per Company*
UNDERWRITING INCOME	\$ -
Premiums earned	
Losses incurred	(20,076)
Loss adjustment expenses incurred	19,158
Other underwriting expenses incurred	49
Total underwriting deductions	(869)
Net underwriting gain (loss)	869
INVESTMENT INCOME	
Net investment income earned	1,035,118
Net investment gain (loss)	1,035,118
OTHER INCOME	
Net income, before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	1,035,987
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	1,035,987
Federal and foreign income taxes incurred	157,000
Net income	\$ 878,987

\* The balances include immaterial rounding differences.

LM PROPERTY AND CASUALTY INSURANCE COMPANY  
Reconciliation of Capital and Surplus Account

	2023	2022*	2021	2020	2019
Surplus as regards policyholders, December 31 prior year	\$ 39,395,983	\$ 39,331,856	\$ 37,706,525	\$ 36,059,700	\$ 35,335,802
Net income	878,987	596,126	1,735,331	515,145	723,898
Change in net deferred income tax	(43,000)	(30,000)	(1,232,000)	17,000	(125,000)
Change in nonadmitted assets	43,000	30,000	1,232,000	(17,000)	125,000
Change in provision for reinsurance	(3,000)	(532,000)	(110,000)	1,131,680	-
Change in surplus as regards policyholders for the year	875,987	64,126	1,625,331	1,646,825	723,898
Surplus as regards policyholders, December 31 current year	<u>\$ 40,271,970</u>	<u>\$ 39,395,983</u>	<u>\$ 39,331,856</u>	<u>\$ 37,706,525</u>	<u>\$ 36,059,700</u>

\* The balances include immaterial rounding differences.

### COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2023, based on the results of this examination.

### OTHER SIGNIFICANT ISSUES

There were no significant recommendations noted by the examination team for improvements in process, activities and/or controls that should be noted in this report.

### SUBSEQUENT EVENTS

On July 25, 2024, Liberty Mutual announced that Julie Haase was named Executive Vice President and Chief Financial Officer, effective January 1, 2025. Current Executive Vice President and Chief Financial Officer Chris Peirce announced retirement at the end of 2024.

On March 4, 2025, Liberty Mutual announced it will market and sell all of its personal lines products solely under the Liberty Mutual brand starting in 2026. Safeco Insurance, the company's brand within the independent agent channel, will retire as a brand.

**AFFIDAVIT**

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that they, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Risk & Regulatory Consulting LLC, performed an examination of LM Property and Casualty Insurance Company, as of December 31, 2023.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

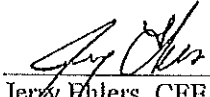
This examination was performed in accordance with those procedures required by the NAIC Financial Condition Examiners Handbook and other procedures tailored for this examination. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standards and no audit opinion is expressed on the financial statements contained in this report.

The attached Report of Examination is a true and complete report of the condition of the LM Property and Casualty Insurance Company as of December 31, 2023, as determined by the undersigned.

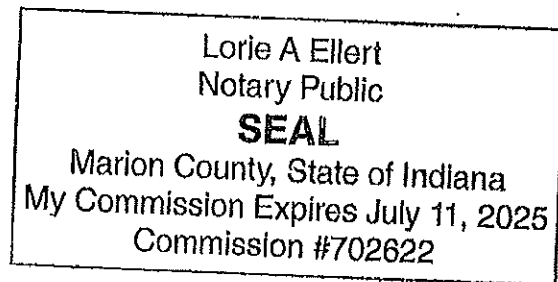


Daniel Schnepf, CFE  
Noble Consulting Services, Inc.

Under the Supervision of:



Jerry Ehlers, CFE, AES  
Examinations Manager  
Indiana Department of Insurance

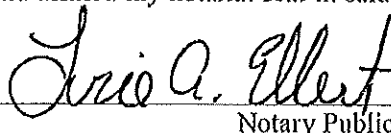


State of: Indiana  
County of: Marion

On this 23<sup>rd</sup> day of June, 2025, before me personally appeared, Daniel Schnepf and Jerry Ehlers, to sign this document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal in said County and State, the day and year last above written.

My commission expires:

July 11, 2025   
Notary Public