

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

IN THE MATTER OF:)

Oakwood Mutual Insurance Company)
1133 W. Mill Road, Suite 111)
Evansville, Indiana 47710)

Examination of: **Oakwood Mutual 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 Oakwood Mutual Insurance Company, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as sent to you on September 3, 2026 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 Oakwood Mutual 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.

10/6/2026

Date



Roy Eft
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 7004 1160 0000 3835 5632

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1133 W. Mill Road, Suite 111)
Evansville, Indiana 47710)

Examination of: **Oakwood Mutual Insurance Company**

FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the Oakwood Mutual 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 August 25, 2026.

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 September 3, 2026, and was received by the Company on September 17, 2026.

The Company did not file any objections.

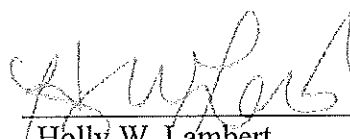
NOW THEREFORE, based on the Verified Report of Examination, I hereby make the following **FINDINGS**:

1. That the Verified Report of Examination is a true and accurate report of the financial condition and affairs of the Oakwood Mutual Insurance Company as of December 31, 2023.
2. That the Examiner’s Recommendations are reasonable and necessary in order for the Oakwood Mutual Insurance Company to comply with the 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, 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. 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 6th day of
October, 2026.



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

OAKWOOD MUTUAL INSURANCE COMPANY
NAIC Co. CODE 92308

As of

December 31, 2023

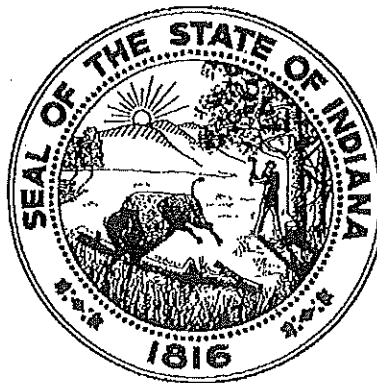


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STATE OF INDIANA

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/idoi

August 25, 2026

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 4211, an examination has been made of the affairs and financial condition of:

Oakwood Mutual Insurance Company
1133 W. Mill Road, Suite 111
Evansville, Indiana 47710

Oakwood Mutual Insurance Company, formerly known as German Mutual Insurance Company of Indiana, (the Company) is an Indiana domiciled, farm mutual insurance company.

Springline Advisory, LLC, formerly Ingardus, (Springline) conducted the examination remotely with the cooperation of the Company.

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

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

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

SCOPE OF EXAMINATION

Representatives of the Indiana Department of Insurance (the Department) last examined Oakwood Mutual Insurance Company (the Company) for the period ending December 31, 2018. Springline Advisory, LLC (Springline), formerly Ingardus, conducted the present risk-focused examination for the period from January 1, 2019 through December 31, 2023. The examination included all material transactions and 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 and identify prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks. The examination included assessing the principles used and significant estimates made by management. Additionally, the examination evaluated the overall financial statement presentation, management's compliance with Statutory Accounting Principles, and Annual Statement instructions, when applicable to domestic state regulations.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. 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 were separately communicated to the Department and/or the management of the Company.

HISTORY

The Company was organized in 1868 as the German Fire Insurance Company of Preble Township and elected to operate under Chapter 145, Acts 1919, during 1924, which was repealed by Acts 1972, P.L. 129-2003 and restated as Indiana Code (IC) 27-5.1, which applies to farm mutual insurance companies. In 2003, the Company changed its name to German Mutual Insurance Company of Indiana. In October 2018, the Company's policyholders approved a merger with Mutual Insurance Association of Southern Indiana with the Company as the surviving company. The Department approved the merger in February 2019. Effective with the merger, the Company changed its name to Oakwood Mutual Insurance Company.

The purpose of the Company, as stipulated within its Articles of Incorporation, shall be to insure the property of its members against loss or damage that is caused by fire, windstorm, lightning or other casualty and to insure the property of its members against loss of use, loss of occupancy, loss of rents and additional expenses that result from direct loss or damage to covered property despite taking reasonable precautions to prevent such loss or damage.

SURPLUS

As of December 31, 2023, the Company had surplus of \$29,163,512 and 5,349 policyholders, who are the owners of the Company.

TERRITORY AND PLAN OF OPERATION

The Company provides personal lines coverage, primarily for homes and farms. The Company conducts business in the Indiana counties of Adams, Allen, Bartholomew, Benton, Blackford, Boone, Brown, Clark, Clay, Crawford,

Daviess, DeKalb, Delaware, Dubois, Elkhart, Fayette, Floyd, Franklin, Fulton, Gibson, Grant, Greene, Hamilton, Hancock, Harrison, Hendricks, Henry, Howard, Huntington, Jackson, Jay, Johnson, Knox, Kosciusko, LaGrange, Lake, LaPorte, Lawrence, Madison, Marshall, Martin, Miami, Monroe, Montgomery, Morgan, Noble, Orange, Owen, Parke, Perry, Pike, Posey, Putnam, Randolph, Ripley, Rush, Scott, Spencer, Steuben, Sullivan, Tippecanoe, Union, Vanderburgh, Vigo, Warrick, Washington, Wayne, Wells, and Whitley.

GROWTH OF THE COMPANY

The following exhibit summarizes the financial results of the Company during the examination period. All amounts were adjusted, per the examination. See the Comments on the Financial Statements section of this Report of Examination.

<u>Year</u>	<u>Admitted Assets</u>	<u>Liabilities</u>	<u>Surplus</u>
2023	\$32,368,550	\$3,205,038	\$29,163,512
2022	31,862,630	3,926,487	27,936,143
2021	33,907,930	2,138,082	31,769,848
2020	29,310,349	2,290,494	27,019,855
2019	26,668,785	2,224,357	24,444,428

MANAGEMENT AND CONTROL

Directors

The business of the Company is managed by a Board of Directors (Board) with a minimum of nine (9) not to exceed fourteen (14) directors. Each director serves for a term of three (3) years. The directors are elected at the annual meeting of the Company's members. The following is a listing of persons serving as directors as of December 31, 2023:

<u>Name</u>	<u>City</u>
Cindy Hoffman	Monroeville, Indiana
Perry Ireland	Lynnville, Indiana
Larry Johnson	Fort Branch, Indiana
Jeffery Kiess	Decatur, Indiana
Eric Koester	Wadesville, Indiana
Deryll Liechty	Berne, Indiana
John Schueler	Decatur, Indiana
Jason Small	Jasper, Indiana
Gregory Selking	Decatur, Indiana
Monica Stoppenhagen	Decatur, Indiana
Craig Volz	Elberfeld, Indiana
Michael Wassmer	Wadesville, Indiana

Officers

The officers of this Company are a Chairman, a Vice Chairman, a Treasurer, a Secretary, a President and a Vice President. The following is a listing of the persons serving as officers of the Company as of December 31, 2023:

<u>Name</u>	<u>Office</u>
Jeffery Kiess	Chairman
Michael Wassman	Vice Chairman
Perry Ireland	Secretary
Greg Selking	Treasurer
Brian Dettmer	President
Jason Mueller	Vice President

CONFLICT OF INTEREST

Directors and officers are required to review and sign Conflict of Interest statements annually. It was determined that no reviewed and signed statements for the directors and officers listed in the Management and Control section of this Report of Examination could be produced for the year ended 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 but two directors listed in the Management and Control section of this Report of Examination subscribed to an oath as of December 31, 2023.

CORPORATE RECORDS

Articles of Incorporation

The Articles of Incorporation were not amended during the examination period.

Bylaws

The Bylaws were not amended during the examination period

Minutes

The Board minutes and the minutes from the annual meeting of the members were reviewed for the period under examination, through the fieldwork date. Two significant subsequent events were noted upon review of the board minutes. Please refer to the Subsequent Events section of this Report on Examination.

AFFILIATED COMPANIES

The Company has an affiliated company, GMI Agency. As of December 31, 2023, the Company had sold the majority of its book of business, resulting in the receipt of cash from one buyer and a note receivable from the other buyer. The note receivable is included in admitted assets as of December 31, 2023.

FIDELITY BOND AND OTHER INSURANCE

The Company protects itself against loss from any fraudulent or dishonest acts through the purchase of a fidelity crime bond issued by Travelers Casualty and Surety Company of America. The bond has a policy aggregate limit of liability of \$500,000. The fidelity bond is adequate to meet the prescribed minimum coverage specified by the NAIC.

The Company had additional types of coverage in-force at December 31, 2023, including but not limited to business liability, directors and officers liability, commercial auto, cyber, and workers' compensation.

STATUTORY DEPOSITS

As a farm mutual insurer, the Company is not required to maintain a statutory deposit with the state of Indiana.

REINSURANCE

During the examination period, the Company purchased reinsurance from Grinnell Mutual Reinsurance Company (Grinnell) as follows:

- *Property per Risk Excess of Loss* – The Company's retention was \$250,000 for 2023 and the coverage limit was 100% above the retention subject to a maximum reinsurance recovery of \$1,000,000 each risk, each loss, including the Company's retention.
- *Aggregate Excess* – The Company's retention was \$5,000,000 for 2023 and the coverage limit was 100% of unlimited losses above the retention.
- *Catastrophe Excess* – The Company's retention was \$1,300,000 for 2023 and the coverage limit was 100% of the Company's ultimate net loss, per loss occurrence, in excess of the Company's retention.

ACCOUNTS AND RECORDS

The Company's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balances prepared from the Company's general ledger for the years ended December 31, 2022 and 2023, were agreed to the respective Annual Statements.

OAKWOOD MUTUAL INSURANCE COMPANY
Assets, Liabilities and Surplus
As of December 31, 2023

	Per Annual Statement	Examination Adjustments*	Per Examination
ASSETS			
Bonds	\$ 7,283,638	\$ 111,307	\$ 7,394,945
Stocks	21,638,933	(91,165)	21,547,768
Bank balances	2,098,571	84,843	2,183,414
Real estate	201,656		201,656
Cash in office	400		400
Unpaid premiums	146,392		146,392
Accrued interest	113,845		113,845
Income tax recoverable	100,000		100,000
Other assets	151,446		151,446
Notes receivable	528,684		528,684
Total Assets	<u>\$ 32,263,565</u>	<u>\$ 104,985</u>	<u>\$ 32,368,550</u>
LIABILITIES AND SURPLUS			
Liabilities			
Unpaid claims	\$ 390,634		\$ 390,634
Less: Reinsurance recoverable	(59,049)		(59,049)
Net unpaid claims	331,585	-	331,585
Ceded reinsurance balances payable	143,452		143,452
Other unpaid expenses	88,466		88,466
Premiums received in advance	155,182		155,182
Unearned premium reserve	2,486,353		2,486,353
Total Liabilities	3,205,038	-	3,205,038
Surplus	29,058,527	104,985	29,163,512
Total Liabilities and Surplus	<u>\$ 32,263,565</u>	<u>\$ 104,985</u>	<u>\$ 32,368,550</u>

* The Company understated assets and surplus by \$104,985. See the Comments on the Financial Statements section of this Report of Examination.

OAKWOOD MUTUAL INSURANCE COMPANY
Income Statement and Change in Surplus
For the year ended December 31, 2023

	Per Annual Statement	Examination Adjustments**	Per Examination
INCOME			
Net premiums:			
Direct premiums written	\$ 6,205,377		\$ 6,205,377
Less: Reinsurance premiums ceded	(720,023)		(720,023)
Total net premiums written	5,485,354	-	5,485,354
Membership and policy fees	23,413		23,413
Total net premiums	5,508,767	-	5,508,767
Income from investments	2,614,648	104,985	2,719,633
Other income	890,893		890,893
Total income	9,014,308	104,985	9,119,293
DISBURSEMENTS			
Net losses paid:			
Direct losses	4,792,800		4,792,800
Add: Reinsurance repaid	528,218		528,218
Less: Reinsurance recovered	(38,839)		(38,839)
Net losses paid	5,282,179	-	5,282,179
Operating expenses	2,647,521		2,647,521
Non-operating expenses	88,814		88,814
Total disbursements	8,018,514	-	8,018,514
CHANGE IN SURPLUS			
Net income	995,794	104,985	1,100,779
Change in accrued assets and liabilities	(91,153)		(91,153)
Change in unrealized gains (losses)	217,743		217,743
Surplus, beginning of period	27,936,143		27,936,143
Surplus, end of period	\$ 29,058,527	\$ 104,985	\$ 29,163,512

** The Company understated income from investments by \$104,985. See the Comments on the Financial Statements section of this Report of Examination.

COMMENTS ON THE FINANCIAL STATEMENTS

The Company reported bonds at other than amortized cost. Per statutory accounting, SSAP No. 26R, bonds are to be reported at amortized cost. As the Company purchases most bonds at or near par, the Examiners reported bonds at cost. This resulted in an increase in bonds, income from investments and surplus of \$111,307.

The Company reported a money market account with its stocks. The value attributed to this account was not the December 31, 2023 balance. The adjustment reduced stocks by \$93,196, increased cash on interest by \$84,843 and reduced surplus and income on investments by \$8,353.

The Company reported several stocks at values that did not equal fair market value. The adjustment increased stocks, income in investments and surplus by \$2,032.

OTHER SIGNIFICANT ISSUES

There were no significant issues identified as of December 31, 2023, based on the results of this examination.

SUBSEQUENT EVENTS

In April 2024, the Company held a special policyholder meeting to approve a merger between the Company and Farmers Mutual Insurance Association of Whitley County. The policyholders and the board of directors approved of the merger. The Company will be the surviving company. On November 15, 2024 the merger was approved by the Department.

In July 2022, the board approved applying for extended farm mutual status. A special policyholder meeting was held in July 2025, where they approved the Company's intention to submit an application for extended farm mutual status. The Company submitted an application in the summer of 2025. The Department approved the application for extended farm mutual status on March 3, 2026.

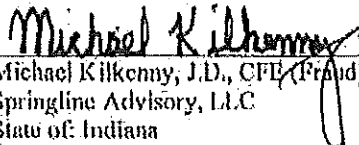
AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that she, in coordination with assistance from Springline Advisory, LLC formerly Ingardus, LLC, hereinafter collectively referred to as the "Examiners", performed an examination of the Oakwood Mutual 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 by the Indiana Department of Insurance. 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 condition of Oakwood Mutual Insurance Company as of December 31, 2023, as determined by the undersigned.


Michael Kilkenney, J.D., CFE (Fraud), MCM
Springline Advisory, LLC
State of: Indiana
County of: Marion

Under the Supervision of:


Jerry Ehlers, CPA, CFE (Financial), AES
Examiner-in-Charge
Indiana Department of Insurance

On this 6 day of October, 2026, before me personally appeared, Michael Kilkenney 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:

12/20/2030


Notary Public

