



MISSISSIPPI INSURANCE DEPARTMENT

MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

DAVID BROWNING
Deputy Commissioner of Insurance

501 N. WEST STREET, SUITE 1001
WOOLFOLK BUILDING
JACKSON, MISSISSIPPI 39201
www.mid.ms.gov

August 26, 2024

MAILING ADDRESS
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CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. James Hilbun Robertson, President
Gulf Guaranty Life Insurance Company
7 River Bend Place
Flowood, MS 39232

RE: Report of Examination as of December 31, 2022

Dear Mr. Robertson:

In accordance with Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011), an examination of your Company has been completed. Enclosed herewith is the Order adopting the report and a copy of the final report as adopted.


Pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2011), the Mississippi Department of Insurance shall continue to hold the content of said report as private and confidential for a period of ten (10) days from the date of the Order. After the expiration of the aforementioned 10-day period, the Department will open the report for public inspection.

If you have any questions or comments, please feel free to contact me.

Sincerely,

MIKE CHANEY
COMMISSIONER OF INSURANCE

BY


Christina J. Kelsey
General Counsel

MC/CK/de
Encls. Order w/exhibit

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF MISSISSIPPI**

**IN RE: REPORT OF EXAMINATION OF
 GULF GUARANTY LIFE INSURANCE COMPANY**

CAUSE NO. 24-7914

ORDER

THIS CAUSE came on for consideration before the Commissioner of Insurance of the State of Mississippi ("Commissioner"), or his designated appointee, in the Offices of the Commissioner, 1001 Woolfolk Building, 501 North West Street, 10th Floor, Jackson, Hinds County, Mississippi, pursuant to Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011). The Commissioner, having fully considered and reviewed the Report of Examination together with any submissions or rebuttals and any relevant portions of the examiner's work papers, makes the following findings of fact and conclusions of law, to-wit:

JURISDICTION

I.

That the Commissioner has jurisdiction over this matter pursuant to the provisions of Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011).

II.

That Gulf Guaranty Life Insurance Company is a Mississippi-domiciled company licensed to write Accident & Health; Credit Life, Credit Accident and Health; Industrial Life, Industrial Accident and Health; Life; Life (Burial); Automobile Physical Damage/Liability; Casualty/Liability; Fidelity; Fire/Allied Lines; Guaranty; Inland Marine; Plate Glass and Surety coverages.

FINDINGS OF FACT

III.

That the Commissioner, or his appointee, pursuant to Miss. Code Ann. § 83-5-201 et seq. (Rev. 2011), called for an examination of Gulf Guaranty Life Insurance Company and appointed Kimberly Strong, Examiner-In-Charge, to conduct said examination.

IV.

That on or about June 14, 2024, the draft Report of Examination concerning Gulf Guaranty Life Insurance Company for the period of January 1, 2018 through December 31, 2022, was submitted to the Department by the Examiner-In-Charge, Kimberly Strong.

V.

That on or about June 20, 2024, pursuant to Miss. Code Ann. § 83-5-209(2) (Rev. 2011), the Department forwarded to the Company a copy of the draft report and allowed the Company a 15-day period to submit any rebuttal to the draft report. The Company did not respond.

CONCLUSIONS OF LAW

VI.

The Commissioner, pursuant to Miss. Code Ann. § 83-5-209(3) (Rev. 2011), must consider and review the report along with any submissions or rebuttals and all relevant portions of examiner work papers and enter an Order: (1) adopting the Report of Examination as final or with modifications or corrections; (2) rejecting the Report of Examination with directions to reopen; or (3) calling for an investigatory hearing.

IT IS, THEREFORE, ORDERED, after reviewing the Report of Examination, the Company's rebuttal, and all relevant examiner work papers, that the Report of Examination of Gulf

Guaranty Life Insurance Company, attached hereto as Exhibit "A", should be and same is hereby adopted as final.

IT IS FURTHER ORDERED that a copy of the adopted Report of Examination, accompanied with this Order, shall be served upon the Company by certified mail, postage pre-paid, return receipt requested.

IT IS FURTHER ORDERED that the Mississippi Department of Insurance shall continue to hold the content of this report as private and confidential for a period of ten (10) days from the date of this Order, pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2011).

IT IS FURTHER ORDERED, pursuant to Miss. Code Ann. § 83-5-209(4) (Rev. 2011), that within thirty (30) days of the issuance of the adopted report, Gulf Guaranty Life Insurance Company shall file affidavits executed by each of its directors stating under oath that they have received a copy of the adopted report and related orders.

IT IS FURTHER ORDERED that Gulf Guaranty Life Insurance Company take the necessary actions and implement the necessary procedures to ensure that all recommendations contained in the Report of Examination are properly and promptly complied with.

SO ORDERED, this the 26th day of August 2024.





DAVID BROWNING
DEPUTY COMMISSIONER OF INSURANCE
STATE OF MISSISSIPPI

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing Order and a copy of the final Report of Examination, as adopted by the Mississippi Department of Insurance, was sent by certified mail, postage pre-paid, return receipt requested, on this the 26th day of August 2024, to:

**Mr. James Hilbun Robertson, President
Gulf Guaranty Life Insurance Company
7 River Bend Place
Flowood, MS 39232**



Christina Kelsey
General Counsel

Christina J. Kelsey
General Counsel
Counsel for the Mississippi Department of Insurance
Post Office Box 79
Jackson, MS 39205-0079
(601) 359-3577
Miss. Bar No. 9853



MISSISSIPPI INSURANCE DEPARTMENT

Report of Examination

of

GULF GUARANTY LIFE INSURANCE COMPANY

as of

December 31, 2022

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**EXAMINER'S AFFIDAVIT AS TO STANDARDS AND
PROCEDURES USED IN AN EXAMINATION**

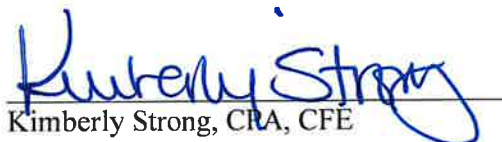
State of Mississippi,

County of Madison,

Kimberly Strong, being duly sworn, states as follows:

1. I have authority to represent the Mississippi Insurance Department in the examination of Gulf Guaranty Life Insurance Company as of December 31, 2022.
2. The Mississippi Insurance Department is accredited under the National Association of Insurance Commissioners Financial Regulation Standards and Accreditation.
3. I have reviewed the examination work papers and examination report, and the examination of Gulf Guaranty Life Insurance Company was performed in a manner consistent with the standards and procedures required by the National Association of Insurance Commissioners and the Mississippi Insurance Department.

The affiant says nothing further.


Kimberly Strong, CRA, CFE
Examiner-in-Charge

Subscribed and sworn before me by Kimberly Strong on this 20th day of

August, 2024.



My commission expires October 29, 2025 (date).



MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

DAVID BROWNING
Deputy Commissioner of
Insurance

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July 23, 2024

Honorable Mike Chaney
Commissioner of Insurance
Mississippi Insurance Department
1001 Woolfolk Building
501 North West Street
Jackson, Mississippi 39201

Dear Commissioner Chaney:

Pursuant to your instructions and authorization and in compliance with statutory provisions, an examination has been conducted, as of December 31, 2022, of the affairs and financial condition of:

GULF GUARANTY LIFE INSURANCE COMPANY

7 River Bend Place
Flowood, Mississippi 39232

License #	NAIC Group #	NAIC #	FEETS #	MATS #
0300016 7700202	948	77976	77976-MS-2022-5	MS-MS099-51

This examination was commenced in accordance with Miss. Code Ann. § 83-5-201 et seq. and was performed in Flowood, Mississippi, at the statutory home office of the Company. The report of examination is herewith submitted.

SCOPE OF EXAMINATION

We have performed a multi-state examination of Gulf Guaranty Life Insurance Company ("Company" or "GGLIC"). The last examination covered the period January 1, 2013 through December 31, 2017. This examination covers the period January 1, 2018 through December 31, 2022.

We conducted our examination in accordance with the NAIC *Financial Condition Examiners 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.

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 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.

COMMENTS AND RECOMMENDATIONS OF PREVIOUS EXAMINATION

All previous examinations findings appeared to have been appropriately addressed during the period since the last examination.

HISTORY OF THE COMPANY

The Company was incorporated as Greener Life Insurance Company on February 20, 1970, under the laws of the State of Mississippi as a stock life insurance company. On July 23, 1970, the Company's name was changed to Gulf Guaranty Life Insurance Company.

Effective July 1, 1970, the Company was licensed to write credit life and credit accident and health lines of business. On June 1, 1978, the Company's license was amended to include the additional lines of life and accident and health. On July 8, 1980, the Articles of Incorporation were amended to expand the Company's purpose to include property and casualty lines of business.

CORPORATE RECORDS

The minutes of the meetings of the stockholders and board of directors, prepared during the period under examination, were reviewed and appeared to be complete with regard to the matters brought up at the meetings for deliberation, which included approval of the Company's investment portfolio and actions of the Company's officers.

MANAGEMENT AND CONTROL

Stockholders

As of December 31, 2022, GGLIC had issued and outstanding 906,856 shares of its 1,000,000 authorized Class 1 common capital stock (of which 551,224 was held as treasury stock) with a par value of \$2 per share and 100 shares of its 50,000 authorized shares of Class 2 common capital stock with a par value of \$1 per share.

Board of Directors

The Articles of Incorporation and Bylaws vest the management and control of the Company's business affairs with the Board of Directors ("Board"). The members of the duly elected Board, along with their place of residence and principal occupation, at December 31, 2022, were as follows:

Name and Residence	Principal Occupation
James Hilbun Robertson Madison, Mississippi	President, CEO, and Chairman of the Board Gulf Guaranty Life Insurance Company and Gulf Guaranty Insurance Company
Richard Steven Cothorn* Flora, Mississippi	President, Gulf Guaranty Employee Benefit Services
Charles T. Cannada Ridgeland, Mississippi	Private Investor
M. James Tindall, Jr. Senatobia, Mississippi	North Mississippi Regional Executive BankFirst Financial Services
James W. O'Mara Jackson, Mississippi	Attorney Phelps Dunbar LLP

*Mr. Cothorn resigned his position on the Board of Directors due to the sale of GGEBS to Tokio Marine.

Committees

The only committee of the board of directors was the investment committee which is made up of James Hilbun Roberston, President, CEO, and Chairman of the Board and Rick McCarty, Chief Financial Officer.

Officers

Name	Title
James Hilbun Robertson	President
Angela Michelle Smith	Secretary
Richard Davis McCarty	CFO, Chief Risk and Compliance Officer
Roby David Toney	Chief Technology Officer
Sarah Ellen Methvin	Vice President

The makeup of the Boards complies with the requirements of the Bylaws of the Company.

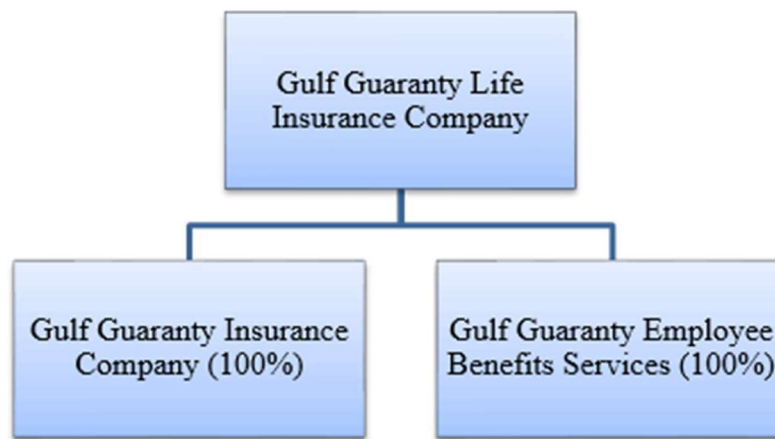
Conflict of Interest

The Company had formal procedures whereby disclosure was made to the Board of any material interest or affiliation on the part of any officer or director that was, or would likely be, a conflict with the official duties of such persons. Written statements were signed annually by all officers and members of the Board.

HOLDING COMPANY STRUCTURE

The Company is a member of an insurance holding company system as defined in Miss. Code Ann. § 83-6-1. The Company is required to file with the MID, Holding Company Registration Statements in accordance with Miss. Code Ann. §§ 83-6-5 and 83-6-9. These filings set forth material changes in structure, identity or relationships of affiliates and any material transactions by and between the Company and its affiliates.

Organizational Chart



The stockholder listing provided by the Company reflects that as of the year ended December 31, 2022, James H. Robertson, President of GGLIC, owned 32.91% of the outstanding common capital stock as of the examination date. In addition, total stock owned by the Robertson family, including the former Chairman of the Board, Jack W. Robertson, exceeded 50.0%

Parent and Subsidiaries:

GULF GUARANTY INSURANCE COMPANY (GGIC): GGIC, a wholly owned subsidiary of GGLIC, was organized on January 15, 1981, under the laws of the state of Mississippi, as a property and casualty insurer which primarily wrote vendor's single interest (VSI) programs for financial institutions.

GULF GUARANTY EMPLOYEE BENEFITS SERVICES (GGEBS): GGEBS was formed on July 8, 1992 under the laws of Mississippi. GGEBS' principal activities include providing administrative services for health products for self-insured plans. During 2022, GGLIC declared a dividend to distribute the GGEBS common stock as a dividend to the GGLIC shareholders. The request to MID, which was made March 7, 2022, was approved by the MID on March 31, 2022. In 2023, Tokio Marine, an unaffiliated third party, acquired GGEBS from GGEBS shareholders.

Related Party Transactions

Tax Sharing Agreement among Affiliates:

The Company entered into an Intercompany Tax Sharing Agreement effective January 9, 2004 with its subsidiaries, GGIC and GGEBS. Pursuant to the terms of the Agreement, the Company will file a consolidated tax return and pay any taxes due on or before the due date. GGLIC will be reimbursed by GGIC and GGEBS for their individual share of the affiliated group's consolidated tax liability. Annually, amounts due to or from a member are to be settled no later than the extended due date for the return.

Assumption Reinsurance Agreement

Effective December 31, 2021 GGLIC entered into an assumption reinsurance agreement with GGIC whereby GGIC would cease issuing new policies in December 2021 and transfer, on an assumption reinsurance basis, all of its remaining insurance obligations to GGLIC. Since GGLIC holds a dual life/health and P&C license, the assumption of the business is allowable. The total policies in force at that date was 547. Per the reinsurance agreement, GGIC was to pay GGLIC the sum of all loss reserves, loss adjustment expenses, and unearned premium associated with the assumed policies.

Expense Allocation Agreement

The Companies were party to an expense allocation agreement effective November 3, 1994 and amended July 14, 2008, December 31, 2011 and January 1, 2013. Pursuant to this agreement, all direct expenses of each company will be paid by the company incurring the expenses and not subject to the expense allocation agreement. Expenses associated with GGLIC's corporate accounting, investment, data processing, sales, and executive functions will be allocated between GGLIC and GGIC in relation to each Company's total direct written premium for all lines of business and miscellaneous income/commissions received from other lines of business. Lines of business are defined within the agreement as credit life, VSI and industrial/ordinary life with 100% of the expenses incurred in the VSI line of business being allocated to GGIC.

Due to the intercompany reinsurance contract between GGIC and GGLIC, GGIC reported no direct written premium (net of reinsurance) for 2022. Accordingly, no expenses were allocated to GGIC under the terms of the agreement in 2022.

FIDELITY BOND AND OTHER INSURANCE

The Company had a comprehensive corporate insurance program in place, which included commercial general liability and commercial property; as well as, other policies deemed appropriate by management. At December 31, 2022, GGLIC and its subsidiary, GGIC, were covered by a financial institutions bond with a \$500,000 single loss limit which meets the suggested minimum as recommended by the NAIC.

PENSIONS, STOCK OWNERSHIP AND INSURANCE PLANS

The Company maintained a 401(k) plan for the benefit of its employees. A comprehensive health care plan was offered by the Company through a self-insured plan administrated by Gulf Guaranty Employee Benefit Services (GGEBS).

TERRITORY AND PLAN OF OPERATION

As of December 31, 2022, the Company was authorized to write the following lines of business in the State of Mississippi:

Accident & health	Automobile physical damage/liability
Credit life	Casualty/liability
Credit accident and health	Fidelity
Industrial life	Fire/allied lines
Industrial accident and health	Guaranty
Life	Inland marine
Life (burial)	Plate glass
	Surety

GGLIC's main line of business is a group accident and health product of the medical gap type, which represented over 90% of premiums. The health insurance GAP plans were written through GGLIC's affiliate Gulf Guaranty Employee Benefit Services ("GGEBS"), a TPA, which includes aggregate stop loss insurance on partially self-funded limited pay plans and fully insured limited pay plans, which are designed to cover the deductibles and certain other out-of-pocket expenses under an employer's primary health insurance coverage. In 2023, Tokio Marine acquired GGEBS, and GGLIC ceded all GAP business to HCC Life Insurance Company effective January 1, 2023. As of the examination date, the Company was authorized to transact business in the states of Alabama, Arkansas, Florida, Georgia, Illinois, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas, with 93.8 percent of premiums being written in Mississippi, Alabama, and Louisiana.

GROWTH OF COMPANY

The review of the growth of the Company was performed based on balances, as reported in the annual statements filed with the MID during the period under examination.

	2022	2021	2020	2019	2018
Change in surplus	7,187,575	(2,703,869)	(161,599)	2,776,853	(48,566)
Ratio of premiums earned to surplus	3.42 to 1	4.84 to 1	2.21 to 1	1.25 to 1	1.05 to 1
Ratio of assets to liabilities	1.73 to 1	1.43 to 1	1.93 to 1	2.27 to 1	2.17 to 1
Ratio of premiums earned to underwriting deductions	1.06 to 1	0.92 to 1	0.99 to 1	0.99 to 1	1.00 to 1
Cash flows from operations	5,717,041	4,832,534	3,803,232	1,725,564	1,754,944
Net income (loss)	6,636,563	(1,003,036)	581,979	1,309,448	533,276

REINSURANCE

The Company utilized reinsurance agreements to minimize its exposure to significant losses. A review of the reinsurance agreements and records revealed that the terms of the reinsurance agreements were being followed.

Ceded:

Excess Risk Agreement with Munich America Reassurance Company

Under this agreement, GGLIC ceded credit life business written on policies issued through age 70 in excess of \$30,000 with a maximum cessation amount of \$150,000 on policies written through Trustmark National Bank and \$100,000 for all other policies. For credit accident & health business, the Company ceded 50% on a quota share basis with a maximum benefit up to \$30,000.

This agreement was subject to an experience refund provision which provides for a determination of profit or loss on the business on an annual basis. If a profit is determined on the business, a portion is allocated back to the Company. If a loss is determined on the business it will be offset against the subsequent year's profit/loss determination.

Intercompany:

Assumption Reinsurance Agreement

Effective December 31, 2021 GGLIC entered into an assumption reinsurance agreement with GGIC whereby GGIC would cease issuing new policies in December 2021 and transfer, on an assumption reinsurance basis, all of its remaining insurance obligations to GGLIC. Since GGLIC holds a dual life/health and P&C license, the assumption of the business is allowable. The total policies in force at that date was 547. Per the reinsurance agreement, GGIC was to pay GGLIC the sum of all loss reserves, loss adjustment expenses, and unearned premium associated with the assumed policies.

ACCOUNTS AND RECORDS

The Company's 2022 trial balance was tied to the financial statements within the statutory annual statements filed with the MID, with no material exceptions noted. The Company was audited annually by an independent CPA firm and the Company's aggregate reserve liability was calculated by a consulting actuarial firm.

The Company is licensed as a multi-line insurance company pursuant to Miss. Code Ann. § 83-19-31(b), which requires the Company to maintain a minimum capital of \$600,000 and surplus of \$900,000. Pursuant to Miss. Code Ann. § 83-5-55, the Company is required to file an NAIC Life, Accident and Health Annual Statement. The Company is also required to file a risk-based capital (RBC) report pursuant to Miss. Code Ann. § 83-5-401 through § 83-5-427.

STATUTORY DEPOSITS

The Company's statutory deposits with the State of Mississippi complied with Miss. Code Ann. § 83-19-31(2) and § 83-7-21. The following chart displays the Company's deposits at December 31, 2022:

Description of Security	State Deposited	Par Value
Cash/Short-Term Investments	Arkansas	\$ 103,324
Bonds	Mississippi	1,585,612
Certificates of Deposit	North Carolina	400,000
Other	South Carolina	125,103
Total		<u><u>\$ 2,214,039</u></u>

FINANCIAL STATEMENTS

Introduction

The following financial statements consist of a Statement of Assets, Liabilities, Surplus and Other Funds as of December 31, 2022, a Summary of Operations for the year ended December 31, 2022, a Reconciliation of Capital and Surplus for the examination period ended December 31, 2022 and a Reconciliation of Examination Adjustments to Surplus at December 31, 2022.

Statement of Assets, Liabilities, Surplus and Other Funds
December 31, 2022

Assets		
Bonds	\$	4,577,947
Common stocks		11,145,504
Mortgage loans on real estate		5,070,948
Properties held for the production of income		794,127
Cash and cash equivalents		18,992,358
Contract loans		3,672
Other invested assets		145,000
Investment income due and accrued		66,409
Uncollected premiums and agent's balances in course of collection		984,669
Net deferred tax asset		70,000
Receivables from subsidiaries		204,572
Total admitted assets	\$	42,055,205
Liabilities, Capital and Surplus		
Aggregate reserve for life contracts	\$	5,539,182
Aggregate reserve for accident and health contracts		684,081
Contract claims life and accident and health		13,175,114
Premiums and annuity considerations for life and accident and health contracts received in advance		59,245
Commissions to agents due or accrued		1,042,034
General expenses due or accrued		1,073,043
Taxes, licenses and fees due or accrued, excluding federal income taxes		637,039
Current federal and foreign income taxes		795,986
Amounts withheld or retained by company as agent or trustee		5,089
Remittances and items not allocated		508,183
Asset valuation reserve		723,444
Aggregate write-ins for liabilities		122,902
Total liabilities		24,365,342
Common stock		1,813,812
Additional paid-in capital		1,921,623
Unassigned funds (surplus)		22,819,295
Less: treasury stock – at cost		8,864,867
Surplus		15,876,051
Total capital and surplus		17,689,863
Total liabilities and capital and surplus	\$	42,055,205

Summary of Operations
For the Examination Period Ended December 31, 2022

Revenue	
Premium income	\$ 60,466,531
Net investment income	1,662,318
Amortization of Interest Maintenance Reserve	(10,890)
Commissions and expense allowances on reinsurance ceded	43,074
Aggregate write-ins for miscellaneous income	3,063
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Total income	62,164,096
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Expenses	
Death benefits	861,593
Annuity benefits	33,596
Disability benefits and benefits under accidental and health contracts	32,127,046
Surrender benefits and withdrawals for life contracts	10,976
Increase (decrease) in aggregate reserves	61,916
Commissions on premiums, annuity considerations	11,951,205
General insurance expenses	11,284,392
Insurance, taxes, licenses and fees, excluding federal income taxes	916,142
Increase (decrease) in loading on deferred and uncollected premiums	(7,600)
Aggregate write-ins for deductions	(102,253)
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Total expenses	57,137,013
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Net gain from operations before federal income taxes	5,027,083
Federal income taxes incurred	482,494
Net realized capital gains (losses)	2,091,974
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Net income	\$ 6,636,563
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Reconciliation of Capital and Surplus

For the Examination Period Ended December 31, 2022

	2022	2021	2020	2019	2018
Capital and surplus, beginning of the year	\$ 10,502,288	\$ 13,206,157	\$13,367,755	\$10,590,902	\$10,639,469
Net income	6,636,563	(1,003,036)	581,978	1,309,448	533,276
Change in net unrealized capital gains (losses)	(1,580,480)	(657,039)	196,960	1,056,547	(353,981)
Change in net deferred income tax	70,000	142,105	-	(367,480)	181,710
Change in non-admitted assets	1,018,432	(609,578)	(784,068)	1,410,668	(504,199)
Change in asset valuation reserve	1,085,420	(65,485)	(94,780)	(497,647)	205,377
Change in treasury stock	-	-	-	(68,563)	(43,438)
Capital changes: paid-in	-	-	-	-	-
Surplus adjustment: paid-in	(151)	-	-	-	-
Dividends to stockholders	(47,321)	(401,592)	(61,688)	(66,109)	(67,312)
Aggregate write-ins for gains and losses in surplus	5,111	(109,244)	-	(11)	-
Capital and surplus, end of the year	\$ 17,689,862	\$ 10,502,288	\$13,206,157	\$13,367,755	\$10,590,903

**RECONCILIATION OF EXAMINATION ADJUSTMENTS TO SURPLUS
DECEMBER 31, 2022**

There were no changes made to the admitted assets, liabilities or surplus balances reported by the Company for the year ended December 31, 2022. The capital and surplus, which totaled \$17,689,862 as of the examination date, was determined to be reasonably stated and in compliance with Miss. Code Ann. §83-19-31.

MARKET CONDUCT ACTIVITIES

A full market conduct examination was not conducted; however, specific areas of the market conduct activities were reviewed. The specific areas reviewed included those items as indicated below.

Complaints

The Company maintained complaint documentation during the period under examination. All complaints appeared to have been appropriately resolved and no policyholder abuse was noted.

Underwriting and Rating

Based upon procedures performed during the course of the examination, the Company appeared to be appropriately applying premium rates for insured policies based on application data. It appeared that all applicable policy forms and rates had been appropriately approved by the MID.

Claims Handling

Claim files were reviewed for general indicators of policyholder treatment concerns. No significant areas of concern noted.

Producer Licensing

The Company appeared to have the appropriate licensure to issue its products and agents appeared to be properly licensed and appointed.

Privacy

Privacy notices were sent to the Company's policyholders annually and based upon the procedures performed during the course of the examination, these annual notices appeared to be in compliance with applicable laws and regulations.

COMMITMENTS AND CONTINGENT LIABILITIES

Procedures performed during the course of the examination revealed no pending litigation outside of the normal course of business, commitments or other contingent liabilities to which the Company was a party.

COMMENTS AND RECOMMENDATIONS

The examination did not identify any material comments and/or recommendations deemed appropriate for inclusion in the examination period.

SUBSEQUENT EVENTS

In 2023, Tokio Marine acquired GGEBS, and GGLIC ceded all GAP business to HCC Life Insurance Company effective January 1, 2023.

At the February 12, 2024 Board of Directors meeting of Gulf Guaranty Life Insurance Company, all board members present signed a written consent to approve the sale of Gulf Guaranty Insurance Company. The Company submitted a Form A on January 24, 2024 which was approved by the MID on April 23, 2024.

No additional subsequent events were noted that would require disclosure in this examination report.

ACKNOWLEDGMENT

The examiners representing the Mississippi Insurance Department and participating in this examination were:

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