# MISSISSIPPI INSURANCE DEPARTMENT

**MIKE CHANEY**
Commissioner of Insurance
State Fire Marshal

**DAVID BROWNING**
Deputy Commissioner of Insurance

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WOOLFOLK BUILDING
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Post Office Box 79
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June 24, 2026

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Mr. Richard. Laird, President
Family Security Life Insurance Company, Inc.
118 South Wall Street
Natchez, MS 39120

**RE: Report of Examination as of December 31, 2024**

Dear Mr. Laird:

In accordance with Miss. Code Ann. § 83-5-201 et seq. (Rev. 2022), 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. 2022), 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/CJK/de
Encls. Order w/exhibit

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

**IN RE: REPORT OF EXAMINATION OF FAMILY SECURITY LIFE INSURANCE COMPANY, INC.** **CAUSE NO. 26-8157**

## 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. 2022). 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. 2022).

**II.**

That Family Security Life Insurance Company, Inc., is a Mississippi-domiciled Company licensed to write Accident & Health; Industrial Life, Industrial Accident and Health; Life; and Life (Burial) coverages.

## FINDINGS OF FACT

### III.

That the Commissioner, or his appointee, pursuant to Miss. Code Ann. § 83-5-201 et seq. (Rev. 2022), called for an examination of Family Security Life Insurance Company, Inc. and appointed R. Dale Miller-In-Charge, to conduct said examination.

### IV.

That on or about June 4, 2026, the draft Report of Examination concerning Family Security Life Insurance Company, Inc. for the period of January 1, 2020 through December 31, 2024, was submitted to the Department by the Examiner-In-Charge, R. Dale Miller.

### V.

That on or about June 11, 2026, pursuant to Miss. Code Ann. § 83-5-209(2) (Rev. 2022), the Department forwarded to the Company a copy of the draft report and allowed the Company a 13-day period to submit any rebuttal to the draft report. On or about June 11, 2026, the Company responded by email to the Department.

## CONCLUSIONS OF LAW

### VI.

The Commissioner, pursuant to Miss. Code Ann. § 83-5-209(3) (Rev. 2022), 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, all relevant examiner work papers and the Company's rebuttal, that the Report of Examination of Family

Security Life Insurance Company, Inc. 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. 2022).

**IT IS FURTHER ORDERED**, pursuant to Miss. Code Ann. § 83-5-209(4) (Rev. 2022), that within thirty (30) days of the issuance of the adopted report, Family Security Life Insurance Company, Inc. 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 Family Security Life Insurance Company, Inc. 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 24th day of June 2026.

David Browning

DAVID BROWNING
DEPUTY COMMISSIONER OF INSURANCE

**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 24th day of June 2026, to:

**Mr. Richard . Laird, President**
**Family Security Life Insurance Company, Inc.**
**118 South Wall Street**
**Natchez, MS 39120**

Christina J. 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**

**FAMILY SECURITY LIFE INSURANCE COMPANY, INC.**

**as of**

**December 31, 2024**

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

State of Mississippi,

County of Madison,

R. Dale Miller, being duly sworn, states as follows:

1. I have authority to represent the Mississippi Insurance Department in the examination of Family Security Life Insurance Company, Inc. as of December 31, 2024.

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 Family Secuirty Life Insurance Company, Inc. 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.

R Dale Miller

R. Dale Miller, CPA, CFE, CFF
Examiner-in-Charge

Subscribed and sworn before me by R. Dale Miller on this 19th day of June, 2026.

STATE OF MISSISSIPPI NOTARY PUBLIC ID# 103679 April D. McDonald Commission Expires Oct. 10, 2028 RANKIN COUNTY

(SEAL)

April D. McDonald
Notary Public

My commission expires October 10, 2028 [date].

**MIKE CHANEY**
Commissioner of Insurance
State Fire Marshal

**DAVID BROWNING**
Deputy Commissioner of Insurance

# MISSISSIPPI INSURANCE DEPARTMENT

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FAX: (601) 576-2568

June 11, 2026

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, 2024, of the affairs and financial condition of:

**FAMILY SECURITY LIFE INSURANCE COMPANY, INC.**
118 South Wall Street
Natchez, Mississippi 39120

| License # | NAIC # | FEETS# | MATS# |
|---|---|---|---|
| 7700160 | 75337 | 75337-MS-2024-1 | MS-MS099-57 |

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

## SCOPE OF EXAMINATION

We have performed our multi-state financial examination of Family Security Life Insurance Company, Inc. (the "Company" or "FSLIC"). The last examination covered the period of January 1, 2015, through December 31, 2019. This examination covers the period of January 1, 2020 through December 31, 2024.

We conducted our examination in accordance with the National Association of Insurance Commissioners ("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.

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 Miss. Code Ann. §83-5-201 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

The Company complied with the comments and/or recommendations made by the Mississippi Insurance Department ("MID") examination team in the previous examination report.

## HISTORY OF THE COMPANY

The Company was incorporated under the laws of the State of Mississippi on May 13, 1970, and commenced business on July 1, 1970. The Company was incorporated for the purpose of writing life, health and accident insurance policies on the industrial plan, burial insurance contracts for the funeral expenses of any one person, and to otherwise issue Class "B" types of insurance policies under subsection B of Section 5597 of the 1942 Mississippi Insurance Code, as amended.

In February 1985, the Company amended its Articles of Association by adding to and expanding its primary business purpose; to carry on the business known as life and health insurance and issue life and health insurance policies of every kind and nature allowed under Miss. Code Ann. §83-19-1.

## CORPORATE RECORDS

The minutes of the meetings of the Board of Directors ("Board"), regarding the Company's business affairs as recorded during the period covered by the examination, were reviewed and appeared to be complete and in order with regard to recording action on matters brought up at the meetings for deliberation.

## MANAGEMENT AND CONTROL

### Capital Stock

As of December 31, 2024, the Company had authorized 5,000 shares of common stock and had 4,000 shares of common stock issued and outstanding with a par value of $100 per share. Richard H. Laird, Trustee of Charles M. Laird Irrevocable Trust owned 100% of the shares issued and outstanding. No dividends were paid by the Company and no capital contributions were contributed to the Company during the examination period.

### Board of Directors

The Articles of Incorporation and Bylaws vest the management and control of the Company's business affairs with the Board. The members of the duly elected Board, along with their place of residence, year elected/appointed, and principal occupation as of December 31, 2024, were as follows:

| Name and Residence | Year Elected/Appointed | Principal Occupation |
|---|---|---|
| Richard Hugh Laird<br>Natchez, Mississippi | 1970 | Board Chairman and President of FSLIC |
| Betty Diane Laird<br>Natchez, Mississippi | 2018 | Secretary of FSLIC |
| Judy Ann Wilson<br>Natchez, Mississippi | 2018 | Vice President of FSLIC |

**Committees**

There were no active committees of the Board as of the examination date.

**Officers**

The officers of the Company as of December 31, 2024, were:

| Name | Years with Company | Title |
|---|---|---|
| Richard Hugh Laird | 54 | President |
| Betty Diane Laird | 32 | Secretary |
| Judy Ann Wilson | 10 | Vice President |
| Dennis Ray Switzer | 10 | Treasurer |

**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 is, or would likely be, a conflict with their official duties. These procedures were reviewed, and no conflicts or exceptions to the Company's policies were noted.

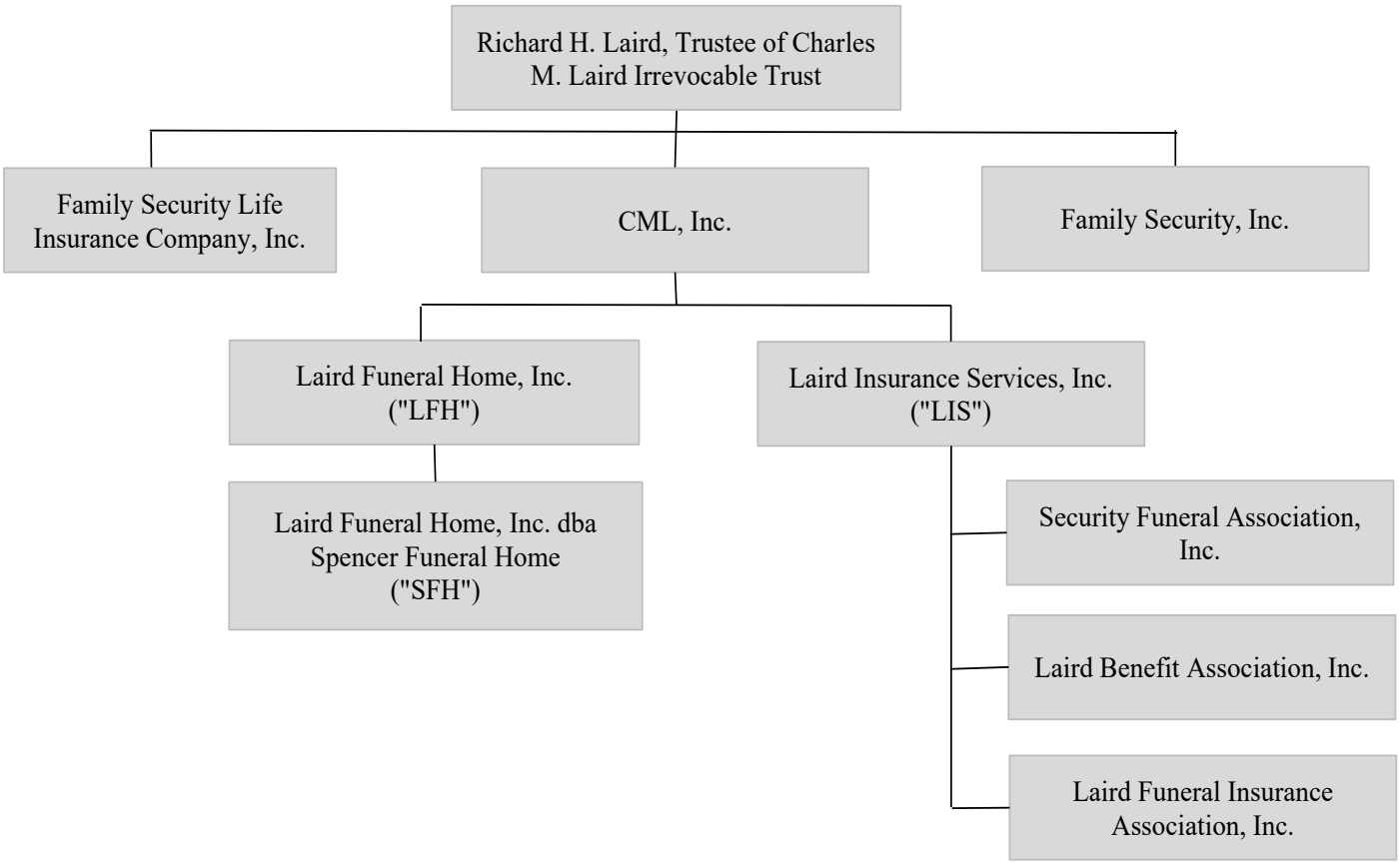
## HOLDING COMPANY STRUCTURE

The Company was a member of an insurance holding company system as defined by Miss. Code Ann. §83-6-1. For each year under examination, Holding Company Registration Statements were filed with the MID in accordance with Miss. Code Ann. §83-6-5 and §83-6-9.

**Organizational Chart**

An organizational chart as of December 31, 2024, reflecting the holding company system, is shown on the following page.

**Organizational Chart**
**December 31, 2024**




**Affiliated and Related Party Transactions**

The following agreements were in effect between the Company and its affiliates:

Agreement between FSLIC, Laird Funeral Home, Inc. and Spencer Funeral Home: Pursuant to the agreement, FSLIC agreed to pay claims, upon submission of all appropriate, required claims documentation received from Laird Funeral Home ("LFH") and Spencer Funeral Home ("SFH"). Claims must be submitted no later than the 28th day of the month for payment on the last Friday of each month. In relation to Class A burial association policies, LFH agreed to accept payment of 50% on benefit payments of claims submitted by LFH and SFH.

In accordance with this agreement, FSLIC agreed to reimburse LFH for 100% of the premiums related to FSLIC employees under LFH's group insurance policy on March 31st, June 30th, September 30th and December 31st of each year. As of December 31, 2024, the Company remitted $530,483 to LFH and SFH for death claims and $6,725 for reimbursement of its portion of employee group health insurance.

Agreement between FSLIC and Laird Insurance Services: Pursuant to the agreement, FSLIC granted Laird Insurance Services ("LIS") the authority to solicit and sell industrial and ordinary life products on behalf of the Company. LIS agreed to remit all collections to the Company on, or before, Friday of each week. The Company agreed to compensate LIS at a commission rate of 30% of any funds collected by LIS within 30 days after each quarter.

The Company agreed to service Class A burial association premiums and claims. LIS agreed to compensate the Company up to the maximum of 30% of the funds it collects for Class A fees. The Company agreed to reimburse LIS any excess funds after FSLIC pays any claims associated with the Class A business; likewise, LIS agreed that the Company shall deduct from any commissions paid any deficits associated with the Class A claims paid by FSLIC. The reimbursements shall be submitted on the same quarterly basis as the industrial and ordinary commissions are paid. As of December 31, 2024, the Company paid $139,648 to LIS to be used as reimbursement fees for commissions paid to agents soliciting and servicing FSLIC insurance.

Pre-Need Trust Agreement and Enforcement: This agreement includes all policies issued between Family Security, Inc. ("FSI" or "Trustee"), LFH (and LFH dba SFH), and FSLIC on behalf of all pre-need purchasers of funeral services and merchandise. Pre-need purchasers, through LFH (dba SFH), have appointed FSI as the Trustee of pre-need arrangements established pursuant to the provisions of Chapter 63 of Title 75, Miss. Code Ann. LFH (dba SFH) agreed to make all deposits with FSI on or before the time required by law. Immediately upon deposit of the required funds, LFH (dba SFH) directs FSI to purchase life insurance and/or annuity contracts that will be owned by FSI for the benefit of insuring the life of the preneed contract holder from FSLIC. Such contracts are purchased on or about the 15th of each month. The policy will provide an increasing death benefit after the first policy year, which will increase annually for the first 40 years, on the policy anniversary, by 3% of the initial death benefit plus any additional excess interest earned.

Upon the death of the pre-need contract holder, LFH (dba SFH) will be required to file an affidavit certifying that funeral services have been provided with FSLIC. The face value of the contracts, along with its accretions (increasing death benefit), at the time of death of the pre-need contract holder shall be paid to LFH (dba SFH) on the 30th day of each month for all completed claims. No reimbursements were incurred by FSI to FSLIC under this agreement during 2024. LFH and SFH (LFH dba as SFH) remitted $282,164 to the Company for the purchase of life insurance policies on purchasers of pre-need funeral contracts.

## FIDELITY BOND

The Company maintained fidelity bond coverage exceeding the NAIC's suggested minimum amount of fidelity bond coverage.

## PENSIONS, STOCK OWNERSHIP AND INSURANCE PLANS

The Company provided a generally complete health and welfare program for its officers and employees on a non-contributory basis, and dependents could be included on a contributory basis. Additionally, the Company offered paid vacation, holidays, and sick leave. The Company did not provide a defined benefit plan or defined contribution plan to its employees.

## TERRITORY AND PLAN OF OPERATION

As of December 31, 2024, the Company was authorized by the State of Mississippi to write the following lines of business:

- Accident and Health (Life)
- Industrial Life, Accident and Health
- Life
- Life - Burial

As of December 31, 2024, the Company was authorized by the State of Louisianna to write Life, Accident and Health. Approximately 93% of premiums written by the Company were written in Mississippi. During the examination period, FSLIC only issued insurance contracts through captive agents.

## GROWTH OF COMPANY

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

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Balance Sheet** | | | | | |
| Total admitted assets | $ 6,696,028 | $ 6,739,714 | $ 6,768,420 | $ 6,676,001 | $ 6,734,685 |
| Total liabilities | $ 5,008,266 | $ 5,104,888 | $ 5,124,703 | $ 5,100,226 | $ 5,053,003 |
| Total capital and surplus | $ 1,687,762 | $ 1,634,826 | $ 1,643,717 | $ 1,575,775 | $ 1,681,682 |
| **Cash Flow** | | | | | |
| Net cash from operations | $ (30,660) | $ (22,737) | $ 81,330 | $ (42,482) | $ (158,312) |
| **Risk-Based Capital Analysis** | | | | | |
| Total adjusted capital | $ 1,776,131 | $ 1,715,661 | $ 1,715,031 | $ 1,643,912 | $ 1,754,793 |
| Authorized control level risk-based capital | $ 134,550 | $ 140,144 | $ 121,332 | $ 117,447 | $ 124,879 |
| **Income Statement** | | | | | |
| Net earned premium income | $ 748,054 | $ 683,469 | $ 743,984 | $ 775,333 | $ 709,539 |
| Net investment income | $ 276,009 | $ 255,525 | $ 194,519 | $ 150,726 | $ 183,593 |
| Total death and surrender benefits | $ 669,861 | $ 633,879 | $ 481,878 | $ 562,988 | $ 645,109 |
| Increase in life reserves | $ (80,505) | $ (60,668) | $ 33,574 | $ 85,492 | $ (111,583) |
| Net income (loss) | $ 66,070 | $ 7,029 | $ 41,005 | $ (109,945) | $ (41,212) |
| Net income/capital and surplus (ROE) | 3.9% | 0.4% | 2.5% | -7.0% | -2.5% |
| Net premium earned /capital and surplus | 44.3% | 41.8% | 45.3% | 49.2% | 42.2% |
| Total benefits & expenses/ net premium earned | 126.3% | 136.6% | 118.7% | 136.4% | 132.1% |
| Investment yield | 4.2% | 3.8% | 2.9% | 2.3% | 2.7% |

## REINSURANCE

The Company was not a party to and did not maintain any reinsurance arrangements for the period under examination.

## MORTALITY AND LOSS EXPERIENCE

The MID contracted with Risk & Regulatory Consulting, LLC to review the actuarial analysis supporting the Company's aggregate reserves for life contracts and life contract claims. Based on the examination's actuarial evaluation, the Company's estimates for life reserves and contract claims were deemed to be reasonably stated in all material respects.

## ACCOUNTS AND RECORDS

The Company's trial balance detail was traced to the December 31, 2024, annual statement filed with the MID. The Company was audited annually by an independent CPA firm.

## STATUTORY DEPOSITS

As of December 31, 2024, the Company had bonds on deposit for the benefit of policyholders, with a book/adjusted carrying value of $500,000 and a fair value of $485,127. Accordingly, the statutory deposits with the State of Mississippi complied with Miss. Code Ann. §83-19-31(2) and §83-7-21.

# FAMILY SECURITY LIFE INSURANCE COMPANY, INC.
# FINANCIAL STATEMENTS
# EXAMINATION AS OF DECEMBER 31, 2024

## Introduction

The following includes the Company's statutory Statement of Admitted Assets, Liabilities, Surplus and Other Funds, statutory Summary of Operations, and a statutory Reconciliation of Changes in Capital and Surplus for the year ended December 31, 2024. The financial statements are based on the statutory financial statements filed by the Company with the MID and present the financial condition of the Company for the period ended December 31, 2024. Due to rounding, column amounts may not add to the totals reflected in this report.

## Family Security Life Insurance Company, Inc.
## Statement of Admitted Assets, Liabilities, Surplus and Other Funds
## December 31, 2024

| *December 31* | | **2024** |
|---|---|---|
| **Admitted Assets** | | |
| Bonds | $ | 6,063,573 |
| Preferred stocks | | 50,000 |
| Real estate occupied by the company | | 165,689 |
| Cash, cash equivalents, and short term investments | | 321,600 |
| Investment income due and accrued | | 60,110 |
| Uncollected premiums | | 2,556 |
| Net deferred tax asset | | 32,500 |
| Total admitted assets | **$** | **6,696,028** |
| | | |
| **Liabilities, Capital and Surplus** | | |
| Aggregate reserve for life contracts | $ | 4,810,231 |
| Life contract claims | | 78,400 |
| Premiums received in advance | | 3,127 |
| Interest maintenance reserve | | 4,330 |
| General expenses due and accrued | | 6,057 |
| Taxes, licenses and fees due or accrued | | 6,472 |
| Current federal and foreign income taxes | | 11,000 |
| Amounts withheld or retained by reporting entity as agent or trustee | | 280 |
| Asset valuation reserve | | 88,369 |
| Total liabilities | | **5,008,266** |
| | | |
| Common capital stock | | 400,000 |
| Gross paid in and contributed surplus | | 426,065 |
| Unassigned funds | | 861,697 |
| Total capital and surplus | | **1,687,762** |
| Total liabilities, capital and surplus | **$** | **6,696,028** |

## Family Security Life Insurance Company, Inc.
## Summary of Operations
## For the Examination Period Ended December 31, 2024

| *For the Year Ended December 31,* | | **2024** |
|---|---|---|
| **Income** | | |
| Life premiums | $ | 748,054 |
| Net investment income | | 276,009 |
| Amortization of interest maintenance reserve | | 1,492 |
| Total income, net of amortization of interest maintenance reserve | | 1,025,555 |
| | | |
| **Benefits and reserve changes** | | |
| Death benefits | | 642,718 |
| Surrender benefits and withdrawals for life contracts | | 27,143 |
| Increase in aggregate reserves for life contracts | | (80,505) |
| Total benefits and reserve changes | | 589,356 |
| | | |
| **Other operating expenses** | | |
| Commissions | | 139,648 |
| General insurance expenses | | 183,065 |
| Taxes, licenses and fees, excluding federal income taxes | | 32,960 |
| Increase in loading on deferred and uncollected premiums | | (152) |
| Total other operating expenses | | 355,521 |
| | | |
| Net gain from operations before dividends to policyholders and federal income taxes | | 80,678 |
| | | |
| Policyholders' dividends | | - |
| | | |
| Federal income taxes incurred | | 14,608 |
| | | |
| Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains | | 66,070 |
| | | |
| Net realized capital gains, excluding transfers to interest maintenance reserve | | - |
| Net income (loss) | **$** | **66,070** |

## Family Security Life Insurance Company, Inc.
## Reconciliation of Changes in Capital and Surplus
## For the Examination Period Ended December 31, 2024

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Capital and surplus, beginning of the year | $ 1,634,826 | $ 1,643,717 | $ 1,575,775 | $ 1,681,682 | $ 1,721,109 |
| Net income (loss) | 66,070 | 7,029 | 41,005 | (109,945) | (41,212) |
| Change in net unrealized capital gains (losses) | - | - | 7,969 | (384) | 2,447 |
| Change in net deferred income tax | (3,700) | (2,800) | (8,700) | 26,250 | 50 |
| Change in nonadmitted assets | (1,900) | (3,600) | 18,661 | (26,802) | 12,116 |
| Change in asset valuation reserve | (7,534) | (9,520) | (3,179) | 4,974 | (12,828) |
| Aggregate write-ins for gains and losses in surplus | - | - | 12,186 | - | - |
| Capital and surplus, end of the year | $ 1,687,762 | $ 1,634,826 | $ 1,643,717 | $ 1,575,775 | $ 1,681,682 |

As a result of this examination, there were no adjustments made to capital and surplus. Surplus, which totaled $1,687,762 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-scope market conduct examination was not performed; however, limited procedures were performed on certain areas of the Company. The areas in which limited procedures were performed included operations/management, complaint handling, producer licensing, underwriting, and claims. No exceptions were noted related to market conduct activities.

## COMMITMENTS AND CONTINGENT LIABILITIES

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

## SUBSEQUENT EVENTS

There were no subsequent events to the examination date and before the completion of fieldwork that were considered material events requiring disclosure in this report.

## COMMENTS AND RECOMMENDATIONS

For the purposes of this examination report, there are no comments or recommendations.

## ACKNOWLEDGMENT

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

| | |
|---|---|
| Examiner-in-Charge: | R. Dale Miller, CPA, CFE, CFF |
| Supervising Examiner: | Joseph R. May, CPA, CMA, CFE, CIE, FAHM |
| Lead IT Specialist | Francois Houde, CPA, CA, CFE, CISA, AES |
| Examination Actuary | Veronika Cooper, FSA, MAAA |
| Senior Examiner: | Sharon Stuber, CPA |
| Examiner: | Britain Thompson |

The courteous cooperation of the officers and employees responsible for assisting in the examination is hereby acknowledged and appreciated.

Respectfully submitted,

R Dale Miller

R. Dale Miller, CPA, CFE, CFF
Examiner-in-Charge

Mark Cooley

Mark Cooley, CFE
Mississippi Insurance Department Designee