



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### ORDER ADOPTING REPORT OF EXAMINATION

I, Andrew N. Mais, Insurance Commissioner of the State of Connecticut, having fully considered and reviewed the Examination Report (the "Report") of Beazley Insurance Company, Inc. (the "Company") as of December 31, 2020, do hereby adopt the findings and recommendations contained therein based on the following findings and conclusions.

#### TO WIT:

1. I, Andrew N. Mais, Insurance Commissioner of the State of Connecticut and as such is charged with the duty of administering and enforcing the provisions of Title 38a of the Connecticut General Statutes ("C.G.S").
2. The Company is a domestic insurer authorized to transact the business of insurance in the State of Connecticut.
3. On January 24, 2022, the verified Report of the Company was filed with the Connecticut Insurance Department (the "Department").
4. In accordance with C.G.S. §38a-14(e)(3), the Company was afforded a period of thirty (30) days within which to submit to the Department a written submission or rebuttal with respect to any matters contained in the Report.
5. On January 25, 2022, the Company filed a written submission indicating that they were in agreement with all of the recommendations contained in the Report. A copy of the Report is attached hereto and incorporated herein as Exhibit A.

**NOW, THEREFORE,** it is ordered as follows:

1. That the Report of the Company is hereby adopted as filed with the Department.
2. That the Company shall comply with the recommendations set forth in the Report, and that failure by the Company to so comply shall result in sanctions or administrative action as provided by Title 38a of the C.G.S.
3. Section 38a-14(e)(4)(A) of the CGS requires that:

"The secretary of the Board of Directors or similar governing body of the entity shall provide a copy of the report or summary to each director and shall certify to the Commissioner, in writing, that a copy of the report or summary has been provided to each director."

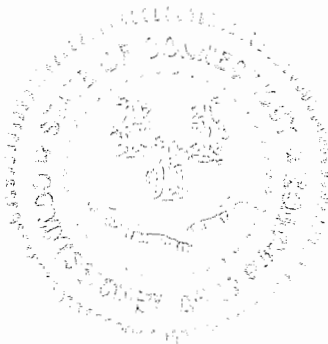
Please address the certification to the Commissioner, but send said certification to the care/attention of Michael Shanahan, Supervising Examiner, of the Financial Regulation Division.

4. Section 38a-14(e)(4)(B) of the CGS requires that:

"Not later than one hundred twenty days after receiving the report or summary the chief executive officer or the chief financial officer of the entity examined shall present the report of summary to the entity's Board of Directors or similar governing body at a regular or special meeting."

This will be verified by the Insurance Department either through analysis or examination follow-up.

Dated at Hartford, Connecticut, this 1<sup>st</sup> day of February, 2022.



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Andrew N. Mais  
Insurance Commissioner



# STATE OF CONNECTICUT

INSURANCE DEPARTMENT

## EXAMINATION REPORT

OF

**BEAZLEY INSURANCE COMPANY, INC. (NAIC #37540)**

AS OF

**DECEMBER 31, 2020**

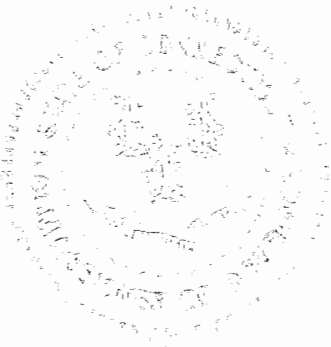
**IS A WHOLE, TRUE AND CORRECT COPY OF THE ORIGINAL DOCUMENT  
ON FILE WITH THE CONNECTICUT INSURANCE DEPARTMENT**

**IN WITNESS WHEREOF, I hereunto, set my  
hand and affix the official seal of the Insurance  
Commissioner of the State of Connecticut  
this 1<sup>st</sup> day of February 2022.**

A handwritten signature in black ink, appearing to read "A. Mais".

---

**ANDREW N. MAIS  
INSURANCE COMMISSIONER**





# STATE OF CONNECTICUT

INSURANCE DEPARTMENT

CERTIFIED COPY

I, ANDREW N. MAIS, INSURANCE COMMISSIONER OF THE STATE OF CONNECTICUT, HAVE COMPARED THE ANNEXED COPY WITH THE ORIGINAL RECORD ON FILE WITH THE DEPARTMENT OF INSURANCE AND DO HEREBY CERTIFY THAT IT IS A WHOLE, TRUE AND CORRECT COPY OF THE ORIGINAL RECORD.

WITNESS MY HAND AND SEAL OF THE INSURANCE COMMISSIONER OF THE STATE OF CONNECTICUT

THIS 1ST DAY OF FEBRUARY, 2022

A handwritten signature in black ink, appearing to read 'A. Mais'.

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ANDREW N. MAIS  
INSURANCE COMMISSIONER



Exhibit A

EXAMINATION REPORT

OF THE

BEAZLEY INSURANCE COMPANY, INC.  
(NAIC # 37540)

AS OF

DECEMBER 31, 2020

BY THE

CONNECTICUT INSURANCE DEPARTMENT



## TABLE OF CONTENTS

	<u>Page</u>
Salutation	1
Scope of Examination	1
History	2
Organizational Chart	4
Management and Control	4
Related Party Agreements	6
Insurance Coverage	6
Territory and Plan of Operation	6
Reinsurance	7
Information Technology Controls	8
Accounts and Records	8
Financial Statements	10
Assets	10
Liabilities, Surplus and Other Funds	11
Statement of Income	12
Capital and Surplus Account	12
Losses and Loss Adjustment Expenses	13
Common Capital Stock	13
Capital and Surplus	13
Subsequent Events	13
Conclusion	14
Signature	15

December 17, 2021

The Honorable Andrew N. Mais  
Insurance Commissioner  
State of Connecticut Insurance Department  
153 Market Street  
Hartford, CT 06103

Dear Commissioner Mais:

In compliance with your instructions and pursuant to the requirements of Section 38a-14 of the Connecticut General Statutes (CGS), the undersigned has conducted a financial examination of the condition and affairs of the

BEAZLEY INSURANCE COMPANY. INC.

(hereinafter referred to as the Company or BICI), a capital stock corporation incorporated under the laws of the State of Connecticut and having its main administrative office located at 30 Batterson Park Road, Farmington, CT. The report of such examination is submitted herewith.

SCOPE OF EXAMINATION

The examination was conducted virtually by the Financial Regulation Division of the Connecticut Insurance Department (the Department) and covers the period from January 1, 2017 through December 31, 2020.

As part of the examination planning procedures, the Department reviewed the following materials submitted by the Company:

- Annual Statements filed with the Department from 2017 through 2020;
- Statements of Actuarial Opinion 2019 and 2020;
- Management's Discussion and Analysis from 2017 through 2020;
- minutes of the Board of Directors (Board) and other Committees minutes from 2017 through the latest 2021 meeting; and
- statutory basis audit reports prepared by Ernst & Young, LLP (E&Y), the Company's independent certified public accountants.

A comprehensive review was made of the financial analysis files and documents submitted to the Financial Analysis Unit of the Department, reports from the National Association of Insurance Commissioners (NAIC) database, as well as the independent audit report which indicated no material concerns with respect to financial condition or regulatory compliance issues.

BEAZLEY INSURANCE COMPANY, INC.

The Department engaged Jennan Enterprises, LLC (Jennan) to assist in a risk-focused assessment and review of the Company's information technology general controls to provide assurances regarding the Company's information technology (IT) general controls.

Risk & Regulatory Consulting, LLC (RRC), was engaged by the Department to assist in the review of the Company's actuarially computed loss and loss adjustment expense (LAE) reserves and ceded reinsurance.

Work papers prepared by E&Y, as of December 31, 2019 and 2020, in connection with their annual statutory audits were reviewed and relied upon to the extent deemed appropriate.

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

Failure of items in this report to add to totals or for totals to agree with captioned amounts is due to rounding.

### HISTORY

The Company was incorporated as Commercial Union Property and Casualty Insurance Company on August 29, 1978, under the laws of Delaware and commenced business on January 1, 1979. On June 11, 1979, the Company adopted the name Commercial Union Custom Insurance Company. The corporate title of Omaha Property and Casualty Insurance Company was adopted upon completion of the purchase by Omaha Indemnity Company (OIC), effective November 1, 1983. The Company re-domesticated from Delaware to Nebraska on November 2, 1992. On March 22, 2005, the Company was purchased by Beazley Holdings, Inc. (Holdings), a downstream U.S. holding company of Beazley plc (Beazley), an England and Wales based company that is traded on the London exchange. The stock purchase agreement included a full indemnification in



BEAZLEY INSURANCE COMPANY, INC.

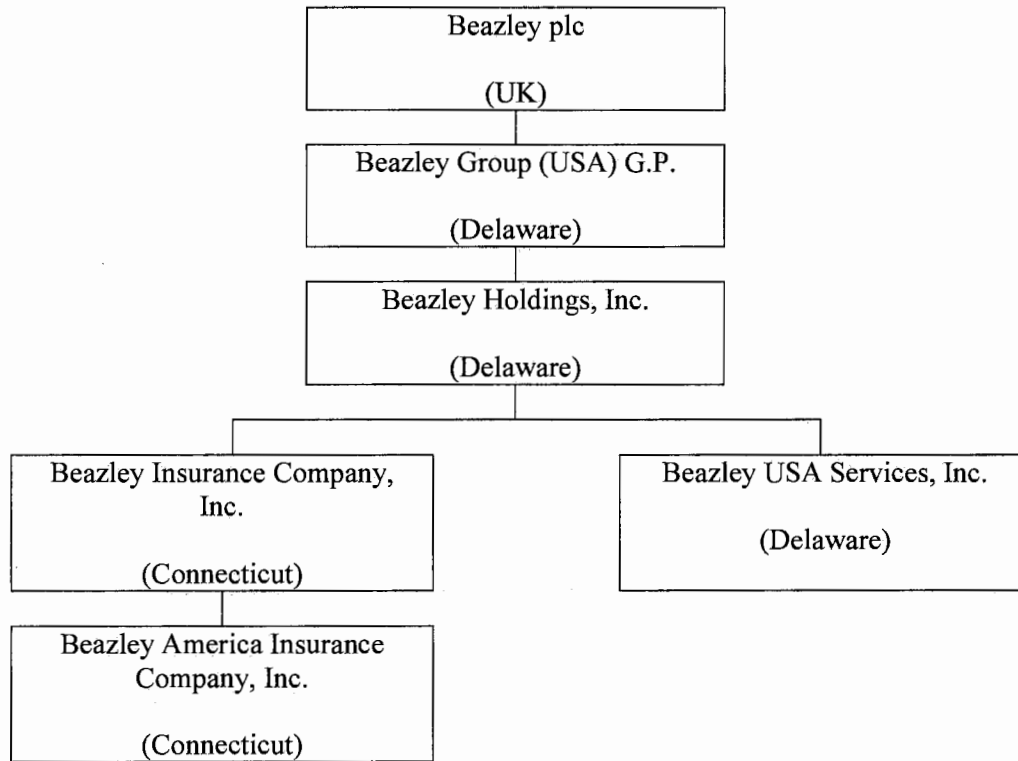
respect of all liabilities relating to the Company's business prior to the closing. In addition, OIC provided 100% quota share reinsurance on all liabilities and obligations relating to business written by the Company prior to closing, which is fully guaranteed by Mutual of Omaha Insurance Company, the parent of OIC. The current corporate title was adopted on March 22, 2005, concurrent with the transfer of ownership to Holdings. On December 16, 2005, the Company re-domesticated from Nebraska to Connecticut. On June 29, 2006, the Company, by unanimous written consent of the Board, amended and restated its Certificate of Incorporation to increase the number of authorized capital stock from 40,000 to 50,000.

On February 8, 2019, the Company capitalized a wholly-owned insurance subsidiary, Beazley America Insurance Company, Inc. (BAIC).

BEAZLEY INSURANCE COMPANY, INC.

ORGANIZATIONAL CHART

A partial organizational chart of the insurance holding company system at the end of the examination period was as follows:



MANAGEMENT AND CONTROL

The bylaws state that the annual meeting of the shareholders for the election of directors and for the transaction of such other business as properly may come before such meeting shall be held each year on such date, and at such time and place within or without the State of Connecticut, as may be designated by the Board.

Special meetings of the shareholders for any proper purpose or purposes may be called at any time by the Board, the chief executive officer, the president or any vice president, to be held on such date and at such time and place within or without the State of Connecticut, as the Board, the chief executive officer, the president or any vice president, whichever has called the meeting, shall direct.

In accordance with the bylaws, the business of the Company shall be managed by a Board whose number of directors shall be fixed by the Board from time to time. The directors shall be elected at the annual meeting of the shareholders

The Board by resolution may provide for the holding of regular meetings and may fix the times

BEAZLEY INSURANCE COMPANY, INC.

and places at which such meetings shall be held.

Directors serving the Company at December 31, 2020, were as follows:

<u>Name</u>	<u>Title and Principal Business Affiliation</u>
David A. Horton	Chief Executive Officer, Beazley plc
Daniel Jones	Retired
Sally M. Lake	Group Finance Director, Beazley plc
Michael L. Donovan	Retired
David J. Giroux	Head of U.S. Finance
Bethany J. Greenwood	Head of Cyber and Executive Risk, Beazley plc
Munira A. Hirji	Head of Commercial Management, Beazley plc
Christine LaSala	Retired
John P. Sauerland	Chief Financial Officer, Progressive Corporation
Jeremiah E. Sullivan	Head of Professions, Beazley plc

Officers serving the Company at December 31, 2020, were as follows:

<u>Name</u>	<u>Title</u>
David A. Horton	President
Sally M. Lake	Executive Vice President
David J. Giroux	Vice President and Treasurer
Alan J. Maguire	Assistant Secretary
Christine P. Oldridge	Assistant Secretary
Daria L. Sullivan	Assistant Treasurer
Jeremiah E. Sullivan	Vice President
Wayne K. Whiten	Secretary

Committees to the Board:

The Board may, by resolution designate one or more committees, each committee to consist of two or more of the directors of the Corporation. Any such committee, to the extent provided in such resolution and permitted by law, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation.

The Beazley plc Board has delegated to the BICI Audit and Risk Committee the following areas of authority: monitoring the integrity of the financial statements; reviewing the internal audit plan and providing input and challenge as appropriate; reviewing the Whistleblower Policy; recommending the appointment, terms of reference, independence, monitoring of performance and approval of fees of the consulting actuaries; reviewing the financial and internal controls and risk management systems of the Company; reviewing the external audit plan and audit report on an annual basis; reviewing any regulatory breaches and adequacy of proposed action; and advising the Board on the Company's risk management framework.

Audit and Risk Committee Members serving the Company at December 31, 2020 were:

Sally Lake (Chair)  
Michael Donovan

Christine LaSala  
John Sauerland

### RELATED PARTY AGREEMENTS

The Company is a party to several related party transaction agreements. The material agreements are as follows:

#### Administrative Services Agreement

Effective February 15, 2019, BICI, BAIC and Beazley USA Services, Inc. (BUSA) entered into an amended and restated agency agreement, whereby BUSA produces, underwrites and services property and casualty insurance business on behalf of BICI and BAIC. Effective February 15, 2019, BICI, BAIC, Beazley Group (USA), G.P. (Beazley USA), Holdings, and BUSA entered into an amended and restated intercompany expense agreement whereby all parties agreed to apportion expenses incurred based upon the benefit received for those services. The apportionments occur on a fair and equitable basis. In accordance with this agreement, general and administrative expenses were allocated to BICI as a percentage of gross written premiums which represented management's best estimate of a fair and equitable apportionment.

#### Tax Allocation Agreement

Effective November 21, 2018, BICI, BAIC, Beazley USA, Holdings, and BUSA entered into an amended and restated Tax Allocation Agreement, whereby all parties agreed to the allocation and payment of U.S. federal income taxes. The allocation is based upon the tax liability or tax refund that would have been determined if each entity had filed a separate return.

### INSURANCE COVERAGE

The Company is insured by Travelers Casualty and Surety Company of America under a fiduciary liability policy with Beazley USA and its affiliates. The aggregate limit of liability provides coverage which exceeds the suggested minimum limits of insurance pursuant to the Handbook.

### TERRITORY AND PLAN OF OPERATION

The Company is licensed to write business in all states and the District of Columbia. BICI's underwriters in the United States focus on writing a range of specialty insurance products in the admitted market.

BICI organizes itself on a product basis across all geographies. Its primary lines of business are: specialty lines (primarily professional liability, management liability and cyber liability); property; marine; political risks & contingency; life, accident and health; and. The majority of the products offered by specialty lines are classified for statutory reporting as other liability.

The primary focus of specialty lines in the U.S. is small and middle market risks that are not generally underwritten at Lloyd's of London (Lloyds).

REINSURANCE

Assumed Reinsurance

BICI participates in a quota share reinsurance agreement with its subsidiary, BAIC. Pursuant to this agreement, the Company assumes one hundred percent on original limits of BAIC business.

Ceded Reinsurance

*Affiliated*

For Specialty Lines, BICI is party to a quota share treaty with Syndicate 3623. Under this treaty, BICI cedes to Syndicate 3623, 75% of the Company's liabilities, on original limits of \$11,000,000, of the majority of the Specialty Lines business including any extra contractual obligations and excess of policy limits. In addition to the quota share, 100% of the Company's liabilities on original limits exceeding \$11,000,000, (up to a maximum of \$39,000,000) are ceded to Syndicate 3623. This agreement was in force until December 31, 2017.

Effective January 1, 2018, the Company entered into an excess of loss and stop loss reinsurance agreement with Syndicate 3623 to cover Specialty Lines. This agreement provides for coverage of \$18,250,000 excess of \$11,750,000 (\$24,125,000 excess of \$5,875,000 for New Jersey policies) and 10% stop loss on excess of 75% of the net accident year loss ratio. Effective January 1, 2019, this agreement was endorsed to include the Company's Ocean Marine insurance product and provides coverage of \$6,500,000 excess of \$8,500,000 for New Jersey policies and removed excess of loss coverage for all other policies and provides 7% stop loss on excess of 70% of the net accident year loss ratio.

The Company has a 75% quota share reinsurance agreement on limits up to \$25,000,000, for its Ocean Marine insurance product effective since December 1, 2017, and a 75% quota share reinsurance agreement on limits up to \$20,000,000, for specific U.S. risks in the Ocean Marine insurance product, effective since January 1, 2014. Both of these agreements are with Syndicate 3623. During the third quarter of 2019, the Ocean Marine reinsurance treaties which were in force after January 1, 2018, were terminated effective December 31, 2018.

The Engineering book of business classified as Inland Marine is reinsured 95% through a quota share agreement with Syndicate 3623, effective since January 1, 2012.

Effective January 1, 2014, BICI entered into a 75% quota share reinsurance agreement with limits up to \$20,000,000, with Syndicate 3623 for the Credit and Political Risks book of business.

In 2020, the Company entered into the initial loss portfolio transfer reinsurance agreement with its affiliate, Beazley NewCo Captive Company, Inc. (the Captive). Under this agreement, BICI transferred \$97,789,146 of accident year 2018 and prior net retained reserves as of December 31, 2020.

*External*

The Company has additional ceded reinsurance in place with non-affiliates, which are utilized to supplement the core internal reinsurance program. Significant external reinsurance in place during 2020 include a 4.5% quota share and \$37M in excess of \$13M surplus contract covering all business written by the Specialty Lines division excluding Environmental Risks and Beazley Breach and Response or Information Security and Privacy (BBR) and a 11% quota share and surplus contract covering Specialty Lines and Executive Risk. Environmental Risk Business is covered by an external quota share with risk limits ranging from 22.5% for max line up to \$10M, to 50% for max line exceeding \$20M. A 35% quota share contract covers business classified as BBR.

The Company participates in Group Clash Excess of Loss reinsurance arrangements for Specialty Lines with other insurers within the Beazley plc group. This coverage provides (in layers) \$120M excess of \$40M.

The Company participates in Group Cyber Catastrophe Excess of Loss reinsurance arrangements with other insurers within the Beazley plc group. This coverage provides (in layers) \$175M excess of \$110M (some layers not fully placed).

INFORMATION TECHNOLOGY CONTROLS

Jennan performed an evaluation of the IT controls in accordance with the guidelines and procedures set forth in Exhibit C Evaluation of Controls in Information Technology of the Handbook (Exhibit C).

Jennan's objectives were to determine whether IT resources align with the Company's objectives and to ensure that significant risk (strategic, operational, reporting, and compliance) arising out of its IT environment was appropriately mitigated by strategies and controls as outlined in the Handbook's Exhibit C Part Two – Evaluation of Controls in IT.

The objectives above were achieved through a combination of reviewing the Company's policies and procedures, testing in key areas related to Exhibit C, interviewing the Company's senior IT management, reviewing IT risk assessment processes, and leveraging the risk assessment procedures performed by the Company and by E&Y.

Based upon the risk-focused assessment and review, no material findings were noted which would have a significant effect on the annual statement. As a result of this review, it was determined that the IT general controls at the Company were effective.

ACCOUNTS AND RECORDS

The Company utilizes the Agresso Business World System developed by Unit4 for its general ledger, accounts payable and credit control reporting. The Company utilizes Wings Statutory financial statement software, developed by Eagle Technology Management, for preparation of the Annual Statement.

BEAZLEY INSURANCE COMPANY, INC.

The Company utilizes the services of an outside asset management firm to maintain its investment financial records.

General ledger account balances were reconciled and traced to the amounts reported in the annual statement for 2020. Further detail analyses were performed on the individual accounts throughout the examination.

BEAZLEY INSURANCE COMPANY, INC.

FINANCIAL STATEMENTS

The following statements represent the Company's financial position, as filed by the Company, as of December 31, 2020. No adjustments were made to surplus as a result of the examination.

ASSETS

Account Description	Assets	Non-admitted Assets	Net Admitted Assets
Bonds	\$739,756,957		\$739,756,957
Common stocks	52,856,617		52,856,617
Cash, cash equivalents and short-term investments	27,329,144		27,329,144
Other invested assets	3,600,000		3,600,000
Investment income due and accrued	3,565,523		3,565,523
Premiums and considerations:			
Uncollected premiums and agents' balances in the course of collection	57,834,258	\$2,490,371	55,343,887
Reinsurance:			
Amounts recoverable from reinsurers	11,792,407		11,792,407
Other amounts receivable under reinsurance contracts	3,415,730	1,039,372	2,376,358
Net deferred tax asset	16,694,808	2,304,299	14,390,509
Receivables from parent, subsidiaries and affiliates	2,398,961		2,398,961
Aggregate write-ins for other than invested assets	1,802,945		1,802,945
Totals	<u>\$921,047,350</u>	<u>\$5,834,042</u>	<u>\$915,213,308</u>



BEAZLEY INSURANCE COMPANY, INC.

LIABILITIES, SURPLUS AND OTHER FUNDS

Account Description	Liabilities
Losses	\$335,974,101
Reinsurance payable on paid losses and loss adjustment expenses	3,428
Loss adjustment expenses	41,384,719
Other expenses	1,486,253
Taxes, licenses and fees	3,757,202
Current federal and foreign income taxes	21,011,287
Unearned premiums	230,720,717
Ceded reinsurance premiums payable	28,932,083
Provision for reinsurance	382,960
Payable to parent, subsidiaries and affiliates	2,308,953
Total liabilities excluding protected cell liabilities	665,961,703
Protected cell liabilities	
Total liabilities	665,961,703
Common capital stock	4,200,000
Gross paid in and contributed surplus	237,308,456
Unassigned funds (surplus)	7,743,149
Surplus as regards policyholders	249,251,605
Totals	<u>\$915,213,308</u>

BEAZLEY INSURANCE COMPANY, INC.

STATEMENT OF INCOME

Premiums earned	\$332,280,306
Losses incurred	172,396,798
Loss adjustment expenses incurred	10,383,262
Other underwriting expenses incurred	148,470,049
Total underwriting deductions	331,250,109
Net underwriting gain or (loss)	1,030,197
Net investment income earned	15,371,830
Net realized capital gains (losses)	(2,741,414)
Net investment gain or (loss)	12,630,416
Aggregate write-ins for miscellaneous income	246,607
Total other income	246,607
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	13,907,220
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	13,907,220
Federal and foreign income taxes incurred	5,247,869
Net income	<u>\$8,659,351</u>

CAPITAL AND SURPLUS ACCOUNT

Surplus as regards policyholders, December 31 prior year	\$205,041,233
Net income	8,659,351
Change in net unrealized capital gains or (losses)	5,649,840
Change in net deferred tax asset	2,244,923
Change in nonadmitted assets	(2,025,878)
Change in provision for reinsurance	(326,320)
Surplus adjustments:	
Paid in	30,008,456
Change in surplus as regards policyholders for the year	44,210,372
Surplus as regards policyholders, December 31 current year	<u>\$249,251,605</u>

BEAZLEY INSURANCE COMPANY, INC.

LOSSES AND LOSS ADJUSTMENT EXPENSE \$377,358,820

The following items were included in the captioned account:

Losses	\$335,974,101
LAE	<u>41,384,719</u>
	<u>\$377,358,820</u>

RRC's review was conducted in accordance with the Risk Focused Approach as detailed in the Handbook. The scope of the review included assisting with the assessment of reserve risk, pricing risk, and liquidity risk for BICI

Based on the scope of work conducted, the Department did not identify any material concerns that affected the BICI's ability to manage its reserving, pricing and underwriting and liquidity risks.

COMMON CAPITAL STOCK \$4,200,000

At December 31, 2020, the Company reported 42,000 shares of capital common stock issued and outstanding.

CAPITAL AND SURPLUS \$249,251,605

The reconciliation of surplus for the period under examination, January 1, 2017, through December 31, 2020, was as follows:

Surplus, as of December 31, 2016	\$122,072,423
Net income	(25,017,615)
Change in net unrealized capital gains (losses)	5,689,024
Change in net deferred income tax	14,764,681
Change in non-admitted assets	(5,476,053)
Change in provision for reinsurance	(351,037)
Surplus adjustment – paid in	139,008,456
Aggregate write-ins for gains and losses in surplus	<u>(1,438,272)</u>
Surplus, December 31, 2020	<u>\$249,251,605</u>

The increase in paid-in surplus during the exam period is attributed to capital contributions from BICI's parent.

SUBSEQUENT EVENTS

- The COVID-19 pandemic has continued to develop throughout 2020 and 2021, with significant uncertainty remaining regarding the full effect of COVID-19 on the U.S. and global insurance and reinsurance industry. At the time of releasing this report, the examination team noted no significant financial impact to the Company as a result of COVID-19. The Department has been in communication with the Company regarding the impact of COVID-19 on its business operations and financial position. The Department will continue to closely monitor the impact

BEAZLEY INSURANCE COMPANY, INC.

of the pandemic on the Company and will take necessary action if a solvency concern arises.

- In March of 2021, Andrew Horton resigned as CEO of Beazley and as president of BICI. Adrian Cox was appointed as CEO of Beazley and president of BICI.
- On August 21, 2021, the Company entered into an agreement with Globe Life and Accident Insurance Company for the sale of the Beazley Benefits book of business for \$57,000,000. The transactions transfers renewal rights on the Beazley Benefits business beginning effective August 1, 2021. The Beazley Benefits book which sits within the Accident and Health line of business provided group supplemental health benefits solutions through employers or affinity groups to employees and wrote \$25,893,108 of gross premium in 2020. After the closure of the agreement, BICI will act in a fronting capacity, being 100% reinsured by Globe Life, Inc. while licensing and product approvals are obtained by Globe Life, Inc.

CONCLUSION

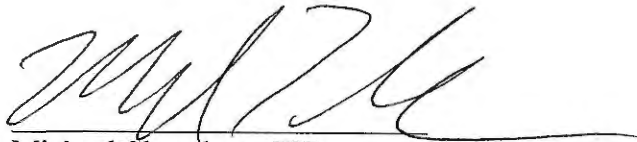
The results of this examination disclosed that, as of December 31, 2020, the Company reported admitted assets of \$915,213,308, liabilities of \$665,961,703, and surplus of \$249,251,605. During the period under examination, admitted assets increased \$615,014,048, liabilities increased \$487,834,866, and surplus as regards policyholders increased \$127,179,182.

SIGNATURE

In addition to the undersigned, the following members of the Department participated in the examination: Edna Bosley; Qing He, FCAS, MAAA, CPCU, CSPA; Ronald Jankoski, CFE; Keith Kleindienst, CFE; Mark Murphy, CFE; Kenneth Roulier, AFE, AES, CISA; William Tacy, CFE; and the professional services firms of Jennan and RRC.

I, Michael Shanahan, CFE, solemnly swear that the foregoing report on examination is hereby represented to be a full and true statement of the condition and affairs of the subject insurer as of December 31, 2020, to the best of my information, knowledge and belief.

Respectfully submitted,



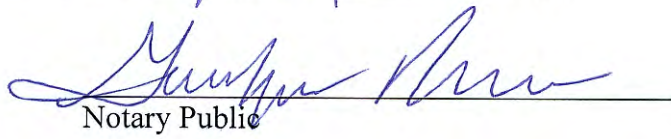
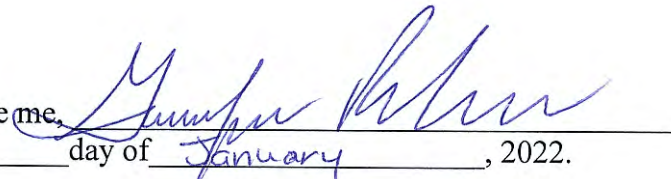
Michael Shanahan, CFE  
Examiner-In-Charge  
State of Connecticut  
Insurance Department

State of Connecticut

ss. Hartford

County of Hartford

Subscribed and sworn to before me,  
Notary Public on this 24 day of January, 2022.

  
Notary Public

My Commission Expires June 30, 2026

