

REPORT ON EXAMINATION AS TO THE CONDITION OF
MERCER INSURANCE COMPANY OF NEW JERSEY, INC

PENNINGTON, NEW JERSEY

AS OF DECEMBER 31, 2018

NAIC GROUP CODE
0248

NAIC COMPANY CODE 43540

FILED
MAY 26, 2020
COMMISSIONER
OF
BANKING & INSURANCE

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State of New Jersey

**DEPARTMENT OF BANKING AND INSURANCE
OFFICE OF SOLVENCY REGULATION**

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PHIL MURPHY
Governor

SHEILA OLIVER
Lt. Governor

MARLENE CARIDE
Commissioner

March 16, 2020

Honorable Marlene Caride
Commissioner of Banking and Insurance
State of New Jersey
20 West State Street
Trenton, NJ 08625-0325

Commissioner:

In accordance with the authority vested in you by the Revised Statutes of New Jersey, an examination has been made of the assets and liabilities, method of conducting business and other affairs of the:

Mercer Insurance Company of New Jersey, Inc.
Pennington, New Jersey 08534
NAIC Group Code 0248
NAIC Company Code 43540

a domestic insurer duly authorized to transact the business of insurance in the State of New Jersey. Hereinafter referred to as the "Company" or "Mercer" or "MICNJ".

SCOPE OF THE EXAMINATION

This risk focused examination was called by the Commissioner of Banking and Insurance of the State of New Jersey pursuant to the authority granted by N.J.S.A. 17:23-22 of the New Jersey Revised Statutes.

The examination was made as of December 31, 2018 and addressed the five-year period from January 1, 2014 to December 31, 2018. During the five-year period under examination, the Company's assets increased from \$73,023,031 to \$96,928,051. Liabilities increased from \$46,097,836 to \$60,646,264 and its surplus as regards to policyholders increased from \$26,925,194 to \$36,281,787 covers the period January 1, 2014 through December 31, 2018.

The New Jersey Department of Banking and Insurance (“NJDOBI”) conducted the examination in accordance with the 2018 edition of the National Association of Insurance Commissioners (“NAIC”) Financial Condition Examiners Handbook (the “NAIC Handbook”). The NAIC Handbook requires the New Jersey Department of Banking and Insurance or NJDOBI to plan and perform the examination in order to evaluate the financial condition and identify prospective risks of the Company. To meet these objectives the NJDOBI obtained information regarding the Company’s corporate governance environment, identified and assessed inherent risks to which it is exposed and evaluated the Company’s system of internal controls and procedures used to mitigate identified risks. The examination also included assessing the principles used and significant estimates made by management, as well as, evaluating the overall Financial Statement presentation, management’s compliance with Statutory Accounting Principles and Annual Statement instructions when applicable to domestic state regulations.

According to the NAIC Handbook, “One of the increased benefits of the enhanced risk focused approach is to include ... consideration of other than financial risks that could impact the insurer’s future solvency. By utilizing the enhanced approach, the examiner reviewed the “financial” and “enterprise” risks that existed at the examination “as of” date and will be positioned to assess “financial” and “enterprise” risks that extend or commence during the time the examination was conducted and “prospective” risks which are anticipated to arise or extend past the point of examination completion. Using this approach examiners will be better positioned to make recommendations for appropriate future supervisory plans (i.e., earlier statutory exams, limited-scope exams, key areas for financial analysts to monitor, etc.) for each insurer.”

All accounts and activities of the Company were considered in accordance with the risk focused examination process. The examination report only addresses regulatory information revealed by the examination process in accordance with the NAIC Handbook. and the New Jersey revised statutes and regulations. All other financial matters were reviewed and determined not to be material for discussion in this report.

HISTORY AND KIND OF BUSINESS

The Company was incorporated under the laws of New Jersey dated October 14, 1981 and commenced business on September 15, 1982.

The Company’s initial certificate of authority permitted the Company to write the kinds of insurance specified in paragraphs “a”, “b”, “e”, “j”, “k”, “l” and “o” of N.J.S.A. 17:17-1 of the Revised Statutes of New Jersey.

MICNJ’s Certificate of Amendment to the Certificate of Incorporation dated January 16, 1996 enabled the Company to write the kinds of insurance authorized by paragraph “e” of N.J.S.A. 17:17-1 et seq., except only that authority granted under paragraph “e” to write automobile bodily injury liability and automobile property damage liability, is specifically excluded.

MICNJ’s Certificate of Amendment to the Certificate of Incorporation dated December

17, 1997 occurred due to a name change from Mercer Insurance Company to Mercer Insurance Company of New Jersey, Inc. (MICNJ).

MICNJ's Certificate of Amendment to the Certificate of Incorporation dated August 12, 1998, fifth paragraph of N.J.S.A. 17:17-1 increased the common capital stock and gross paid in and contributed surplus from \$1,000,000 to \$3,500,000.

MICNJ's Certificate of Amendment to the Certificate of Incorporation dated August 12, 1998, third paragraph of N.J. S. A. 17:17-1 granted the Company authorization to transact the kinds of business specified in paragraph "a", "b", "e", "f", "g", "j", "k", "l", "m", "n", "o-1" and "o-3ii".

MICNJ's Certificate of Amendment to the Certificate of Incorporation dated January 1, 2002, third paragraph of N.J.S.A. 17:17-1 granted the Company authorization to transact the kinds of business specified in paragraph "a", "b", "e", "f", "g", "j", "k", "l", "m", "n", "o".

On December 31, 2009, two of the Mercer Companies' holding companies, Queenstown Holding Company, Inc. (QHC) and Franklin Holding Company, Inc. (FHC), were liquidated. As a result, Mercer Insurance Company of New Jersey and Franklin Insurance Company became directly owned by Mercer Insurance Company (MIC), which is a member of Mercer Insurance Group, Inc., a Pennsylvania holding company.

On March 28, 2011, and pursuant to a Merger Agreement December 28, 2010, United Fire & Casualty Company purchased and acquired ownership of 100% of the outstanding securities of Mercer Insurance Group, Inc., thereby acquiring complete ownership of the insurance operating subsidiaries of the former Mercer Insurance Group.

On February 1, 2012, a reorganization of the United Fire & Casualty Company and all the subsidiary/affiliated companies was completed. United Fire Group, Inc., an Iowa corporation, replaced United Fire & Casualty Company, an Iowa corporation, as the publicly held corporation. The prior holders of United Fire & Casualty Company Common Stock were issued the same number of shares and same ownership percentage of United Fire Group, Inc. as they held prior to the reorganization.

At December 31, 2018 the authorized capital stock of the Company is \$3,500,000 divided into 350,000 shares of common stock having a par value of \$10 per share. All authorized shares are issued and outstanding, and owned by Mercer Insurance Company, a member of the United Fire Group, Inc. holding company.

The Company's gross paid in and contributed surplus remained \$8,575,060 for the five-year period ending December 31, 2018.

As of the examination date the statutory office of the Company is at 10 Route 31 N, Pennington, New Jersey, 08534. The administrative office of the corporation is located at 118 Second Avenue SE, Cedar Rapids, Iowa, 52401.

The registered agent on whom process may be served is CT Corporation, 820 Bear Tavern Road West Trenton, NJ 08648.

MANAGEMENT AND CONTROL

The business, property and affairs of the Company are under the direction of its management and its Board Members. MICNJ operates under common management with United Fire and Casualty Company. Officers and Board Members serving the Company are as follows:

<u>Board Member</u>	<u>Office Held</u>
Randy Allan Ramlo	President/Chief Executive Officer
Janice Ann Martin	Treasurer
Neal Richard Scharmer	VP/Secretary
Dawn Michele Jaffray	EVP/Chief Financial Officer
Michael Todd Wilkins	EVP/Chief Operating Officer
Raymond Edward Dudonis	VP/Regional Branch Manager
Brian Joseph Frese	VP/ Chief Technology Officer

As a member of a holding company system the Company is required to maintain a board consisting of at least one-third independent directors in accordance with N.J.S.A. 17:27A-4(d)(3). The Company has at least one-third of outside directors and is in compliance with N.J.S.A. 17:27A-4(d)(3) through the ultimate parent, United Fire Group, Inc.

All the Committees are for the benefit of United Fire Group, Inc. which includes Mercer Insurance Company of New Jersey, Inc.

Committees serving the Company at December 31, 2018 are indicated below:

Audit Committee

The following are members of the Audit Committee:

James Noyce, Chairman - Retired Insurance Executive - FBL Financial Group
John Paul Besong - Senior VP of e-business of Rockwell Collins
Scott Carlton - President of SGL Carbon, LLC
Brenda K Clancy - Former President & Director of Transamerica Premier Life Insurance Company
Christopher Drahozal - Professor of Law, University of Kansas School of Law
Jack Evans - President of the Hall-Perrine Foundation
George Milligan - President of the Graham Group Inc.
Kyle Skogman - President of Skogman Construction Company of Iowa

The Audit Committee is comprised entirely of outside directors who are not employees of the Company and is in compliance with N.J.S.A. 17:27A-4(d)(4)

In addition to the above, the Company also maintained the following committees:

Investment Committee

Compensation Committee

Nominating & Governance Committee

Risk Management Committee

Executive Committee

CONFLICT OF INTEREST

The Company, as part of the United Fire Group, Inc. and its ultimate parent, has a formal code of “Conduct and Ethics Policy”, which includes a conflicts of interest policy and procedure for the annual disclosure to its Board of Directors and Audit Committee of any material interest or affiliation on the part of its directors, officers or key employees which is in, or likely to, conflict with the official duties of such person.

A review of senior management and the Board of Directors questionnaires for the examination period revealed no conflicts of interests.

CORPORATE RECORDS

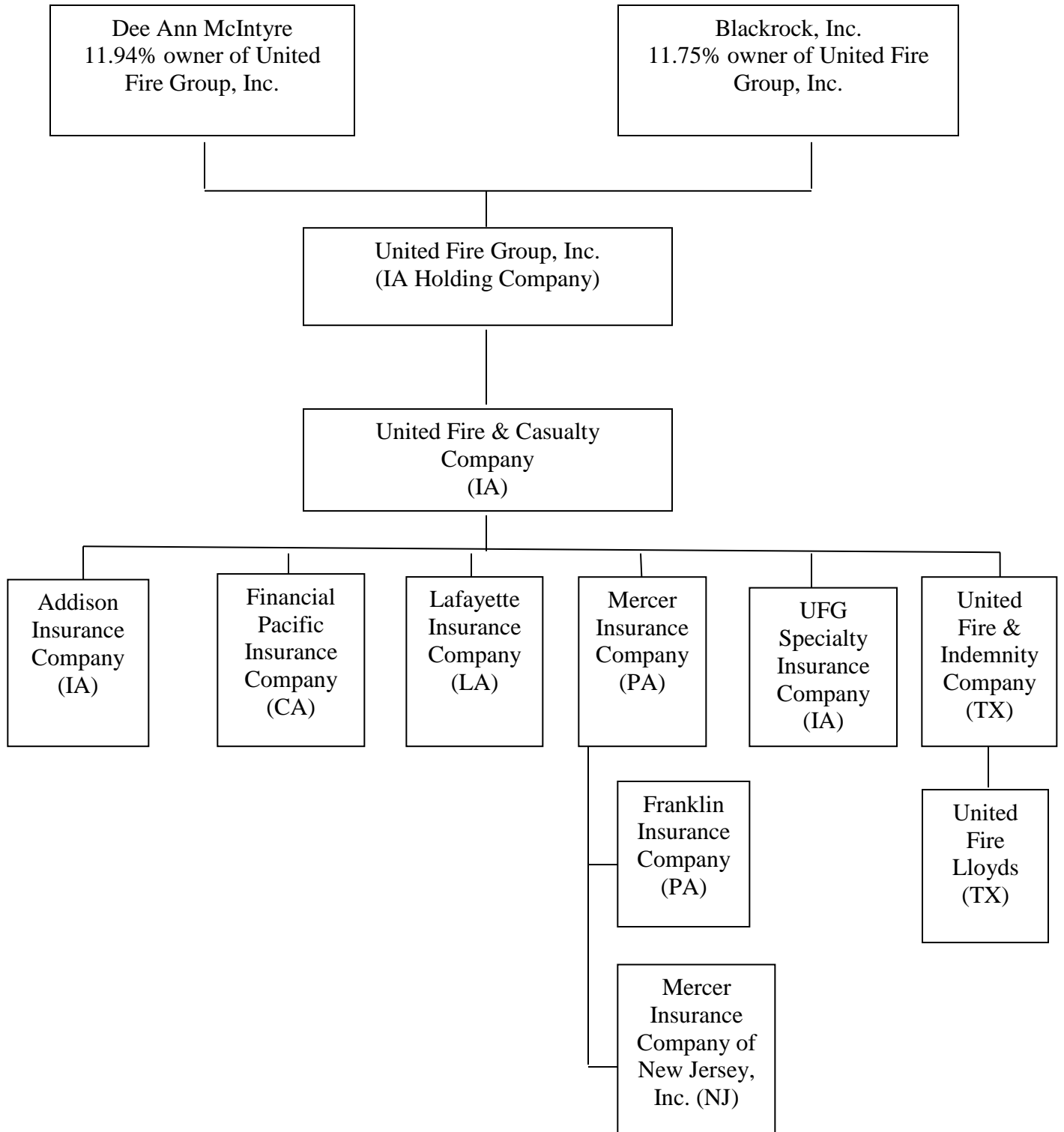
The minutes of the Board of Directors, Stockholders and Audit Committee were reviewed during the period of examination and found to be in accordance with the By-laws. The review indicated corporate transactions were adequately presented and approved.

REGULATION OF INSURANCE HOLDING COMPANY SYSTEMS

Mercer Insurance Company of New Jersey, Inc. is 100% owned by Mercer Insurance Company, a Pennsylvania corporation, which is 100% owned by United Fire & Casualty Company, an Iowa corporation. United Fire & Casualty Company is 100% owned by United Fire Group, Inc., also an Iowa corporation.

The Company is a member of an insurance holding company system as defined under N.J.S.A. 17:27A-1 and as such is required to file a registration statement in accordance with N.J.S.A. 17:27A-3. United Fire Group, Inc. filed a registration statement on behalf of and in the name of its subsidiaries in accordance with N.J.S.A. 17:27A-3.

An abbreviated organizational chart follows showing the Mercer Insurance Company of New Jersey, Inc. and its affiliated companies:



INTERCOMPANY AGREEMENTS/RELATED PARTY TRANSACTIONS

Agents' Balances Payment and Reimbursement Agreement

Per the agreement and related to the intercompany pooling agreement, United Fire & Casualty Company makes all payments to, and receives all payments from appointed agents and insureds on behalf of the other insurance entities in the United Fire Group. All amounts due from agents are recorded as agents' balances on the books of United Fire & Casualty Company. A corresponding 'payable to affiliate' is recorded by United Fire & Casualty Company for agents' balances related to the other agreement members. Affiliated members record a 'receivable from affiliate' for the amounts due for their direct premiums written, less the direct commissions paid. Settlement of amounts payable for agents' balances shall be within 30 days following the end of each month.

Intercompany Credit Agreements

Per the credit agreement, the Company may borrow short-term funds from its subsidiaries up to 10% of the subsidiary's prior quarter reported surplus with an aggregate borrowing maximum of \$50,000,000.

An additional credit agreement provides that each listed subsidiary may access the Company's remaining borrowing capacity on its revolving credit facility up to a maximum of \$5,000,000 per subsidiary.

Intercompany Investment Apportionment Agreement

The Company provides investment management services for itself and for the benefit of its subsidiary/affiliate companies. In exchange, the Company will charge each subsidiary/affiliate a pro-rata share of consolidated investment expenses based on the sum of the par value of its bonds and market value of its nonaffiliated securities in relation to that of the consolidated group. The projected investment expenses are calculated on an annual basis.

Federal Income Tax Allocation Agreement

The Company's federal income tax return is consolidated with United Fire Group, Inc. and named subsidiaries. The method of allocation between the companies is subject to a written agreement approved by the Board of Directors. The allocated tax liability for each insurer will not be greater than the tax liability it would have incurred if it had been filing separate tax returns. Intercompany balances are settled within 30 days after the filing of a return, an amendment, or receipt of a refund.

Reinsurance Pooling Agreement

The Company is a participant to an intercompany pooling arrangement with the United Fire Group of subsidiaries that was initiated on January 1, 2012. This agreement is discussed in more detail under the section of this report titled "Reinsurance".

FIDELITY BOND AND OTHER INSURANCE

The Company and its affiliates are protected by an insurance company's fidelity bond in the amount of \$2,000,000 single limit and \$4,000,000 aggregate limit. Other coverages in place appear to adequately protect the interests of the Company. All policies are written with companies authorized to write in Iowa.

The organization has various coverage in place:

- Workers Compensation and Employers liability
- Umbrella Excess
- Directors & Officers
- Professional
- Flood
- Fiduciary Liability
- Excess Flood, Excess D &O, Excess Cyber,
- Employment Practices Liability
- Electronic Data Processing
- Drone
- Cyber
- Auto
- Aircraft

STATUTORY DEPOSITS

The following securities were held by the State of New Jersey as special deposits on behalf of the Company:

	<u>Book Value</u>
Federal Home Loan Banks 3.375% 12/8/2023	\$618,329.40

POLICY FORMS AND UNDERWRITING GUIDELINES

MICNJ, through its parent United Fire and Casualty Company, maintains an underwriting guide. A review of the underwriting guideline manual indicated that MICNJ writes its personal and commercial lines by evaluating each risk with consistently applied standards. The Company maintains information on all aspects of their business, which is regularly reviewed to determine product line profitability.

MICNJ through the United Fire Group of Companies maintains access to numerous underwriters, who generally specialize in either personal or commercial lines, and have many years of experience as underwriters. Specific information is monitored with regard to individual insureds to assist the Company in making decisions about policy renewals or modifications. New risks are frequently inspected to insure they are as desirable as suggested by the application process.

The Company relies on information provided by independent agents. Subject to certain

guidelines, producers also pre-screen policy applicants. The producers have the authority to sell and bind insurance coverages in accordance with pre-established guidelines.

Producers' results are continuously monitored. On occasion, producers with historically poor loss ratios have had their binding authority removed until more profitable underwriting results were achieved. Continued poor loss ratios often result in agency termination.

TERRITORY AND PLAN OF OPERATION

The Company is licensed in the states of New Jersey and New York. The Company's statutory address is 10 Route 31 N, Pennington, NJ 08534. The Company's accounts and data are maintained at 118 Second Avenue SE, Cedar Rapids, Iowa 52401.

The Company is authorized to write homeowner's and commercial lines coverages, including workers' compensation, commercial automobile and a religious institution package policy. Commercial products target mercantile, light manufacturing business owners, artisans and contractors coverage.

The Company utilizes independent agents to write its business and is not producer controlled. Broker and agents' commissions are authorized in accordance with their respective agreements.

REINSURANCE

Subsidiaries of United Fire & Casualty Company, along with United Fire, are participants to an intercompany pooling arrangement initiated on January 1, 2012. Each of these "subsidiary participants" cede direct premiums, losses, loss adjustment expenses and other underwriting expenses to United Fire & Casualty Company. The business that is ceded plus the direct business of United Fire is accumulated and ceded to unaffiliated reinsurers by United Fire with net premiums subject to pooling. Sixty-four percent of the pooled business is retained by United Fire & Casualty Company. The remaining 36% is ceded by United Fire to the subsidiary participants. Each of the subsidiary participants records their allocation from the pool as assumed business. Investment expenses and investment income are not pooled. The following is a list of those companies and the percentage of business assumed:

Mercer Insurance Company	9
Financial Pacific Insurance Company	8
Lafayette Insurance Company	7
Addison Insurance Company	4
Mercer Insurance Company of New Jersey	3
United Fire & Indemnity Company	2
UFG Specialty Insurance Company	1
Franklin Insurance Company	1
United Fire Lloyds	1

CONTINUITY OF OPERATIONS

The Company, as part of the United Fire Group, Inc. group of companies, has developed and maintained a formal disaster recovery plan for the purpose of continuing its business operations in the event of a natural or man-made disaster.

IT support for the essential services functions must be maintained as well. The Company maintains backup data at a remote location which is available for data replication in case of an event.

ACCOUNTS AND RECORDS

The General Ledger System (EAS) is a FIS (formerly Sungard) Financial System and runs on a Windows server in the Cedar Rapids, IA data center. The General Ledger (EAS) takes in a file from the Mercer system(s) on a monthly basis. All reporting is done from the EAS system.

Billing transactions for policies handled by ACL, APL, and Bond systems are processed by FLEX for direct billing and ACT for agency billing. All these systems were developed internally and run on a Unisys Libra 890 mainframe in Cedar Rapids, IA data center.

All claims activity occurs on the Duck Creek system (formerly Accenture which replaced ACS) is a Windows based platform on a .Net framework. No claims processing takes place on the Mercer systems. ACS was developed internally using AB Suite (4GL) and runs on a Unisys Libra 890 mainframe in the Cedar Rapids, IA data center. ACS was decommissioned by the end of 2015.

All investment activity is processed on the iWorks solution. iWorks is a Sungard Financial system that runs on a Windows server in the Cedar Rapids, IA data center.

TREATMENT OF POLICYHOLDERS

The Company maintains a complaint register, which is in general compliance with N.J.S.A. 17:29B-4(10).

FINANCIAL EXHIBITS

The financial statements consist of the following exhibits and notes to financial statements showing the financial condition as of December 31, 2018, as shown in the annual statement:

Exhibit A - Balance Sheet as of December 31, 2018

Exhibit B - Underwriting and Investment Exhibit for the Five-Year Period Ended December 31, 2018

Exhibit C - Capital and Surplus for the Five-Year Period Ended December 31, 2018

Mercer Insurance Company of New Jersey
Balance Sheet as of December 31, 2018

Exhibit A

	Balance per Examination <u>12/31/2018</u>	Balance per Company <u>12/31/2018</u>	Examination Change	Note Number
Assets				
Bonds	82,644,908	82,644,908		
Preferred Stocks	190,327	190,327		
Common Stocks	1,569,145	1,569,145		
Cash and Short term investments	4,838,283	4,838,283		
Investment income due and accrued	715,222	715,222		
Agents' balances or uncollected premiums:				
Agents' balances in course of collection	1,965,371	1,965,371		
Agents' balances and uncollected premium deferred and not yet due	8,149	8,149		
Amounts recoverable from reinsurers	3,426,141	3,426,141		
Current federal and foreign income tax recoverable and interest thereon	11,292	11,292		
Net deferred tax asset	1,327,972	1,327,972		
Receivables from parent, subsidiaries and affiliates	231,241	231,241		
Total admitted assets	<u>96,928,051</u>	<u>96,928,051</u>		
Liabilities				
Losses	28,515,293	28,515,293		1
Reinsurance payable on paid losses and loss adjustment expenses	2,038,790	2,038,790		
Loss adjustment expenses	9,078,962	9,078,962		1
Commissions payable, contingent commissions and other similar charges	926,173	926,173		
Other expenses	1,644,773	1,644,773		
Taxes, licenses and fees	134,443	134,443		
Current federal and foreign income taxes	0	0		
Unearned premiums	14,575,648	14,575,648		
Ceded reinsurance premiums payable	3,515,635	3,515,635		
Amounts withheld or retained for accounts of others	0	0		
Payable to parent, subsidiaries and affiliates	0	0		
Aggregate write-ins for liabilities	216,547	216,547		
Total liabilities	<u>60,646,264</u>	<u>60,646,264</u>		
Surplus and Other Funds				
Common capital stock	3,500,000	3,500,000		
Gross paid-in and contributed surplus	8,575,060	8,575,060		
Unassigned funds (surplus)	24,206,727	24,206,727		
Surplus as regards policyholders	<u>36,281,787</u>	<u>36,281,787</u>		
Total liabilities, surplus and other funds	<u>96,928,051</u>	<u>96,928,051</u>		

Mercer Insurance Company of New Jersey
 Summary of Operations
 For the five year period ended December 31, 2018

Exhibit B

	2014	2015	2016	2017	2018
<u>UNDERWRITING INCOME</u>					
Premiums Earned	23,008,158	25,550,859	28,083,917	29,924,751	31,123,529
Deductions:					
Losses Incurred	12,243,207	12,075,925	16,030,427	18,043,969	18,080,236
Loss Expenses Incurred	3,101,473	3,557,944	3,570,004	3,750,797	3,888,810
Other Underwriting Expenses Incurred	7,480,441	8,446,085	8,690,456	9,307,184	10,606,789
Total Deductions	<u>22,825,121</u>	<u>24,079,954</u>	<u>28,290,887</u>	<u>31,101,950</u>	<u>32,575,835</u>
Net Underwriting Gain or (Loss)	<u>183,037</u>	<u>1,470,905</u>	<u>-206,970</u>	<u>-1,177,199</u>	<u>-1,452,306</u>
<u>INVESTMENT INCOME</u>					
Net Investment Income Earned	2,038,148	2,127,846	2,200,425	2,387,533	2,613,028
Net Realized Capital Gains and Losses	39,345	48,665	125,386	142,852	-4,697
Net Investment Gain	<u>2,077,493</u>	<u>2,176,511</u>	<u>2,325,811</u>	<u>2,530,385</u>	<u>2,608,331</u>
<u>OTHER INCOME</u>					
Net gain(loss) from agents' or premium balances charged off	-117,850	-159,287	-85,704	759	-2,343
Finance and Service charges	110,491	85,766	68,844	46,768	219,197
Aggregate write-ins for miscellaneous income	-726	-3,848	-262	15,603	61
Total Other Income	<u>-8,085</u>	<u>-77,369</u>	<u>-17,122</u>	<u>63,130</u>	<u>216,915</u>
<u>CAPITAL AND SURPLUS ACCOUNT</u>					
Net Income before dividends to policyholders and before Federal Income Taxes	2,252,445	3,570,047	2,101,719	1,416,316	1,372,940
Dividends to Policyholders				0	0
Federal and Foreign Income taxes incurred	<u>670,415</u>	<u>1,292,478</u>	<u>434,338</u>	<u>156,995</u>	<u>15,941</u>
Net Income	<u><u>1,582,030</u></u>	<u><u>2,277,569</u></u>	<u><u>1,667,381</u></u>	<u><u>1,259,321</u></u>	<u><u>1,356,999</u></u>

Mercer Insurance Company of New Jersey
 Capital and Surplus Account
 for the Five year period ending December 31, 2018

Exhibit C

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Surplus as regards policyholders, December 31, prior year	26,925,194	28,970,757	31,847,161	33,732,375	34,867,458
Net Income	1,582,030	2,277,569	1,667,381	1,259,321	1,356,999
Change in Net Unrealized Capital Gains or Losses	-17,893	15,394	110,924	317,783	-77,052
Change in Net Deferred Income Tax	12,513	122,727	-63,986	-811,245	-24,018
Change in Non-admitted assets	468,913	460,714	170,895	369,224	158,400
Change in provision for reinsurance	0	0	0	0	0
Surplus adjustments: Paid in					
Dividends to Stockholders	0	0	0	0	0
Aggregate write ins for gains and losses in surplus	0	0	0	0	0
Change in Surplus as regards policyholders for the year	<u>2,045,563</u>	<u>2,876,404</u>	<u>1,885,214</u>	<u>1,135,083</u>	<u>1,414,329</u>
Surplus as regards policyholders, December 31, current year	<u>28,970,757</u>	<u>31,847,161</u>	<u>33,732,375</u>	<u>34,867,458</u>	<u>36,281,787</u>

NOTES TO FINANCIAL STATEMENTS

Note 1: Losses and Loss Adjustment Expenses

The Iowa Insurance Division performed an actuarial review of the United Fire Group's gross and net loss and LAE reserves as of December 31, 2018 and a draft report was prepared. This review was completed under the direction of Risk & Regulatory Consulting, LLC Dave Heppen, FCAS, MAAA (partner) and Andrew Chandler, ACAS, MAAA (Actuarial Supervisor). The New Jersey Department of Banking and Insurance, Office of Solvency Regulation, Actuarial Unit, also reviewed this draft report and accepted the results without exception.

CONCLUSION

The examination of Mercer Insurance Company of New Jersey, Inc. was conducted by the undersigned with the assistance of field and office staff and the Actuarial Unit of the New Jersey Department of Banking and Insurance Office of Solvency Regulation.

I would like to take this opportunity to acknowledge the courtesy and assistance extended to the examiners by officers and personnel of the Company throughout the course of this examination.

Respectfully Submitted,



Nancy Lee Chice
Examiner –In- Charge

Mercer Insurance Company of New Jersey, Inc.

I, Nancy Lee Chice, do solemnly swear that the foregoing report of examination is hereby presented to be a full and true statement of the condition and affairs of the Mercer Insurance Company of New Jersey, Inc. as of December 31, 2018, to the best of my knowledge and belief.

Respectfully Submitted,



Nancy Lee Chice, CFE
Examiner-In-Charge

State of New Jersey
County of Mercer

Subscribed and sworn to before me.

On this 16th day of April, 2020



Notary Public of New Jersey

My Commissioner Expires: July 2025