

EXAMINATION REPORT
OF
THE CONTINENTAL INSURANCE COMPANY OF NEW JERSEY
WARREN, NEW JERSEY
AS OF
DECEMBER 31, 2023
NAIC COMPANY CODE 42625
NAIC GROUP CODE 218

FILED
May 21, 2025
Commissioner
New Jersey Department
Of
Banking and Insurance

TABLE OF CONTENTS

	<u>Page</u>
Salutation	3
Scope of the Examination	4
History and Kind of Business	5
Parent, Subsidiaries and Affiliates	5
Intercompany Agreements	8
Territory and Plan of Operation	9
Reinsurance	9
Management and Control	10
Conflict of Interest	12
Fidelity Bond	12
Accounts and Records	12
Information Systems Control Review	12
Statutory Deposits	13
Financial Statement and Other Exhibits	14
Exhibit A – Balance Sheet as of December 31, 2023	15
Exhibit B – Underwriting and Investment Exhibit for the five-year Examination Period Ended December 31, 2023	16
Exhibit C – Capital and Surplus Account for the Period under Examination	17
Notes to the Financial Statements	18
Summary of Examination Recommendations	18
Conclusion	19
Notarization	20



State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

DIVISION OF INSURANCE

OFFICE OF SOLVENCY REGULATION

PO BOX 325

TRENTON, NJ 08625-0325

TEL (609) 292-7272

FAX (609) 292-6765

PHIL MURPHY

Governor

TAHESHA L. WAY

Lt. Governor

JUSTIN ZIMMERMAN

Commissioner

May 13, 2025

Honorable Justin Zimmerman
Commissioner of Banking and Insurance
State of New Jersey
20 West State Street
P.O. Box 325
Trenton, New Jersey 08625

Commissioners:

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:

THE CONTINENTAL INSURANCE COMPANY OF NEW JERSEY

WARREN, NEW JERSEY 07059

NAIC GROUP CODE 218

NAIC COMPANY CODE 42625

a domestic insurer duly authorized to transact the business of insurance in the State of New Jersey. Hereinafter, The Continental Insurance Company of New Jersey will be referred to in this report as the "Company" or "CICNJ".

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 Section 17:23-22 of the New Jersey Revised Statutes.

This examination was performed as a coordinated group examination and covers the period January 1, 2019 to December 31, 2023, with a review of such prior and subsequent transactions as deemed necessary. This examination was conducted as part of a multi-state coordinated examination of the U.S. based insurers of CNA Financial Corporation's ("CNAF") property and casualty insurance companies. All U.S. based insurers are owned by Continental Casualty Company ("CCC") and make up the CNA Group of Companies ("CNA Group"). CCC is an Illinois domiciled entity and, therefore, Illinois is the lead state for the examination.

The New Jersey Department of Banking and Insurance ("NJDOBI") conducted the examination in accordance with the 2024 edition of the National Association of Insurance Commissioners ("NAIC") Financial Condition Examiners Handbook (the "NAIC Handbook"). The NAIC Handbook requires 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 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 and NJDOBI.

The examination of the Company was conducted concurrently with the examination of the following CNA Financial Corporation property and casualty companies:

<u>Company</u>	<u>Domiciliary State</u>
Continental Casualty Company	Illinois
Columbia Casualty Company	Illinois
Transportation Insurance Company	Illinois
National Fire Insurance Company of Hartford	Illinois
Inverin Insurance Company	Illinois
Bantry Insurance Company	Illinois
American Casualty Company of Reading, Pennsylvania	Pennsylvania
Valley Forge Insurance Company	Pennsylvania
The Continental Insurance Company	Pennsylvania
Western Surety Company	South Dakota
Surety Bonding Company of America	South Dakota
Universal Surety of America	South Dakota

HISTORY AND KIND OF BUSINESS

The Company was incorporated under the laws of the State of New Jersey on June 15, 1983 and commenced business on September 12, 1983.

The authorized capital stock of the corporation is \$4,200,000 divided into 10,000 shares each having a par value of \$420. The par value of the stock was increased in 1995 in order to comply with the minimum capital requirements per line of authority. The stock of the Company is owned by The Continental Insurance Company.

The statutory home office of the Company is located at 184 Liberty Corner Road, Warren, New Jersey, 07059. The main administrative office and principal location of the books and records is located at 151 N. Franklin Street, Chicago, Illinois, 60606. Mark James, the senior officer at statutory home office, serves as the registered agent for the Company.

PARENT, SUBSIDIARIES AND AFFILIATES

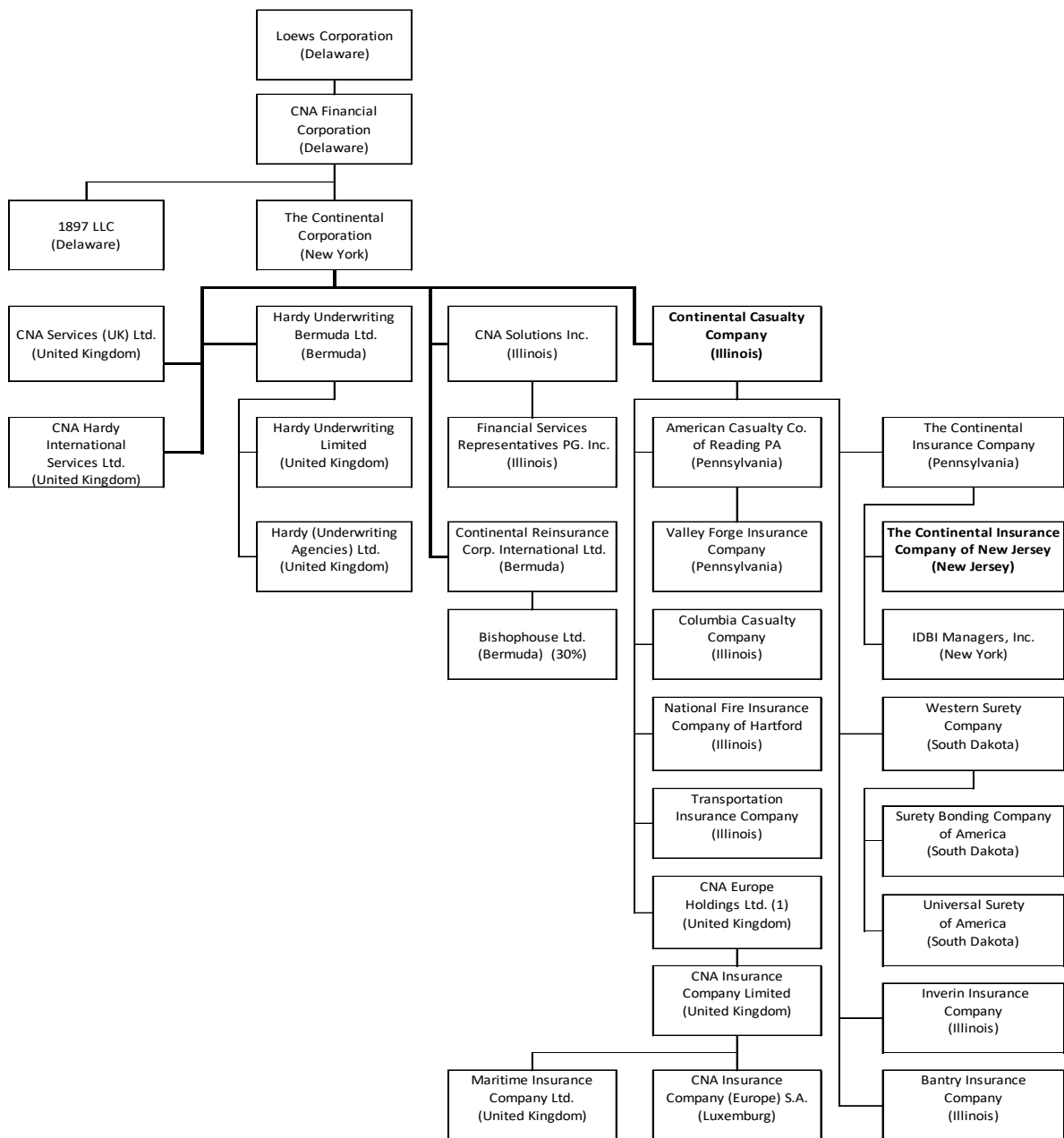
The Company is a member of a holding company system as defined by N.J.S.A. 17:27A-1. A review of the Company's holding company registration statements and amendments thereto indicated that the Company is in compliance with N.J.S.A. 17:27A-3 Sections a-j, requiring registration of those insurers who qualify as determined by N.J.S.A. 17:27A-1.

The Company is a wholly-owned indirect subsidiary of Continental Casualty Company, which is a wholly owned subsidiary of The Continental Corporation ("TCC"). TCC is a wholly owned subsidiary of CNA Financial Corporation ("CNAF"), which is approximately 92 percent owned by Loews Corporation("Loews"), the ultimate controlling entity in the corporate group.

Loews is a holding company, with its direct subsidiaries engaged in the following types of

business: commercial property and casualty insurance (CNAF); transportation and storage of natural gas and natural gas liquids (Boardwalk Pipeline Partners, LP, a wholly owned subsidiary); ; and the operation of a chain of hotels (Loews Hotels Holding Corporation, a wholly owned subsidiary). Loews also owns approximately 53% of Altium Packaging LLC, an unconsolidated subsidiary, which is engaged in the manufacture of rigid plastic packaging solutions.

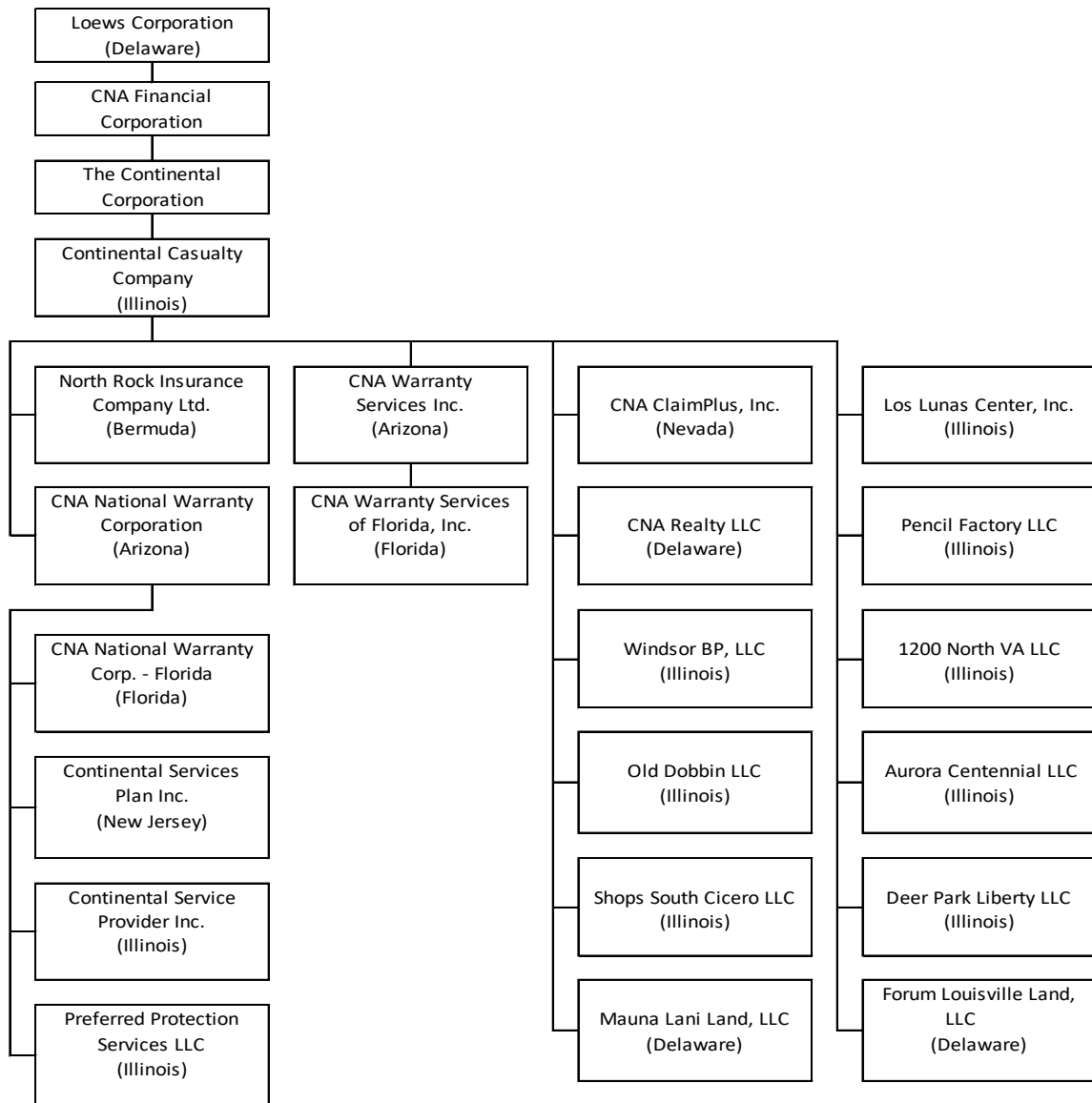
Other companies under the commercial property and casualty insurance group are identified in the following organizational chart:



Footnotes

(1) Continental Casualty Company owns 72.72% of CNA Europe Holdings Ltd. The other 27.28% is owned by Continental Insurance Company.

Continuation of Continental Casualty Company's holdings



INTERCOMPANY AGREEMENTS

The Company is party to certain intercompany agreements as a result of CICNJ's participation in the CNA Pool. In addition, the following inter-company agreements were in effect during the period of the examination:

Management Agreements, Service Contracts and Cost Sharing Arrangements

- The Company is a party to the CNA Intercompany Expense Agreement, effective December 1, 2008 and as last amended effective January 29, 2013, the terms of which describe how the affiliates determine, apportion and settle certain intercompany expenses and allocations. The purpose of the Amended and Restated CNA Intercompany Expense Agreement was to update the participants to the agreement following CNA's entity consolidation initiative, and to more clearly define the specific services provided, the current methodology for expense allocations, and settlement procedures for intercompany balances. Expense allocation to each participating affiliate for services provided is determined utilizing an equitable basis in conformity with customary insurance accounting practices. Expenses are to be billed no less frequently than each calendar quarter, and within twenty days of being billed each affiliate is to remit payment.
- Through the Loews Investment Facilities and Services Agreement ("Investment Services Agreement"), effective January 1, 2006, Loews provides investment facilities and services, including investment analysis and trade execution to CNAF. CNAF is to reimburse Loews for all reasonable costs, expenses and disbursements incurred, which are detailed on a monthly billing statement, with payment due within thirty days of the monthly billing statement receipt. These costs are then allocated down to the participating affiliates and subsidiaries.

Certain of CNAF's insurance subsidiaries, including CICNJ, are also parties pursuant to separate acknowledgments attached to the Investment Services Agreement. The Agreement was amended, effective January 1, 2007, July 27, 2011, July 1, 2022 and April 1, 2023 to include a specific due date for payment of charges and to update current participants to the agreement.

- In 2013, CCC became a member of the Federal Home loan Bank ("FHLB") of Chicago, which provides CCC with access to lower cost financing on loans and standby letters of credit. While CCC is the FHLB member, CNA intends to use this access to lower cost funds to benefit its other insurance entities when deemed appropriate. The purpose of the FHLB Administrative Services Agreement, effective December 5, 2013, for CICNJ, is to provide a mechanism for CCC to provide these services to its affiliates, and for each respective affiliate to reimburse CCC for any costs it incurs in the process.

Inter-company Tax Sharing Agreement

The Company is included in the Loews consolidated Federal income tax filing along with various subsidiaries and affiliates, including its indirect parent CNAF. CCC has a federal income tax allocation agreement with CNAF, who in turn is a party to an agreement with the group's ultimate parent, Loews Corporation. CCC has also executed a tax allocation agreement with its insurance company subsidiaries (see below). The tax allocation agreement indicates that each insurance company will record a tax provision equal to what that company would have incurred if they had filed their own separate return for the year. The various tax agreements provide that each subsidiary will deposit with their respective parent, on or before the due date of each tax payment of the Loews consolidated Parent Group to the IRS, an amount approximating the estimated tax which would be payable by the subsidiary if it were filing its own federal income tax return. The agreements further provide that on or before the 15th day following the filing of the Parent Group's consolidated return, payment shall be made by parent to subsidiary or by subsidiary to parent, as appropriate, for any balance or refund due.

As a subsidiary of CIC, CICNJ is a party to the 1995 Federal Income Tax Allocation Agreement between CIC and TCC effective May 11, 1995, where it is agreed that CIC and its subsidiaries will pay to, or recover from, TCC the amount of federal income taxes it would have incurred (or would have been entitled to recover) as if it had filed its own federal income tax return. The agreement was amended effective November 15, 2009, to update CIC's state of domicile to Pennsylvania. The agreement was amended effective January 1, 2023, for the purpose of complying with the recently enacted legislation which sets forth a corporate alternative minimum tax ("CAMT") effective for taxable years beginning after December 31, 2022. The terms were revised to provide for application of a reasonable and appropriate tax allocation methodology for payment of any CAMT tax charge or tax refund by each participant.

TERRITORY AND PLAN OF OPERATION

The Company is authorized to transact business only in the State of New Jersey.

The Company is engaged in underwriting commercial property-casualty insurance. The Company and its affiliates derive business from a diversified producer plant consisting of independent insurance agents and brokers.

REINSURANCE

Effective January 1, 2013, Continental Casualty Company entered into an intercompany pooling agreement with the following affiliates: The Continental Insurance Company (CIC), American Casualty Company of Reading, PA (ACCO), Columbia Casualty Company (COL), and National Fire Insurance Company of Hartford (NFI), Transportation Insurance Company (TPI), Valley Forge Insurance Company (VFI), and The Continental Insurance Company of New Jersey (CNJ). On the effective date the pool participants ceded 100% of their net business and underwriting assets and liabilities to CCC as the lead company. Prior intercompany pool

participants quota share assets and obligations have been commuted with a resulting zero surplus effect due to the coverage provided by the intercompany pooling agreement.

Various Addendums to the intercompany pooling and guaranty agreement were executed during the examination period to amend Schedule I Excluded Captive Business to amend the definition of “Captive Business” and reflect programs and business which will no longer be considered “Captive Business.”

Under the Intercompany Agreement and Guaranty Agreement effective January 1, 2013, CCC guaranties the collection of the pool participants third party reinsurance recoverable and assumes each pooled companies Schedule F Provision for Reinsurance statutory liability if attributable to third party reinsurance recoverable. CCC as the lead company, collects premiums, pays claims, collects third party reinsurance recoveries and assumes the underwriting liabilities relating to the pooled business.

The Company indicates in the general interrogatories of the 2023 Annual Statement that the largest net aggregate amount insured in any one risk (excluding workers’ compensation) is \$0 due to the 100% cession to CCC under the intercompany pooling agreement.

The following is the pooling percentages of the intercompany pooling agreement:

Company	Pool Percentage
Continental Casualty Company	100%
National Fire Insurance Company of Hartford	0%
American Casualty Company of Reading, Pennsylvania	0%
Columbia Casualty Company	0%
Valley Forge Insurance Company	0%
Transportation Insurance Company	0%
The Continental Insurance Company	0%
The Continental Insurance Company of New Jersey	0%

MANAGEMENT AND CONTROL

The affairs of the Company are managed, and its corporate powers are exercised by a five (5) member Board of Directors. All the Board members are senior officers of the Company. Officers and Directors as of December 31, 2023, are as follows:

<u>Directors:</u>	<u>First Year Elected</u>	<u>Principal Occupation</u>
Name		
Dino E. Robusto *	2016	Chairman of the Board, Chief Executive Officer, President, CNA Financial
Chicago, IL		
Robert J. Hopper	2020	Executive Vice President and Chief
Bernardsville, NJ		Actuary, CNA Insurance Companies

Susan A. Stone Chicago, IL	2021	Executive Vice President and General Counsel, CNA Financial
Scott R. Lindquist Hinsdale, IL	2022	Executive Vice President and Chief Financial Officer, CNA Financial
Douglas M. Worman Rye, NY	2019	Executive Vice President and Head of Global Underwriting, CNA Insurance Companies

* Retired effective December 31, 2024

Effective January, 1, 2025, Douglas M. Worman became President and Chief Executive Officer and Chairman of the Board and Daniel P. Franzetti became a Director.

A review of the minutes of the meetings of the Stockholders, Directors and Committees indicates that the Directors adequately approve and support Company transactions and events.

Officers

<u>Name</u>	<u>Principal Occupation</u>
Dino E. Robusto *	Chairperson of the Board, Chief Executive Officer & President
Scott R. Lindquist	Executive Vice President & Chief Financial Officer
Susan A. Stone	Executive Vice President & General Counsel
Amy C. Adams	Senior Vice President & Treasurer
Elizabeth A. Aguinaga	Executive Vice President & Chief Human Resources Officer
Jalil U. Rehman	President and Chief Executive Officer, UK & Europe
Stathy Darcy	Senior Vice President & Deputy General Counsel and Secretary
Daniel P. Franzetti	Executive Vice President & Chief Administrative Officer
Nick Creatra	President and Chief Executive Officer, Canada
Jane E. Possell	Executive Vice President & Chief Information Officer, Analytics, Operations
Robert J. Hopper	Executive Vice President & Chief Actuary
Mark S. James	Executive Vice President & Chief Risk & Reinsurance Officer
Douglas M. Worman	Executive Vice President & Global Head of Underwriting

*Retired effective December 31, 2024

The Company is required to comply with the provisions of N.J.S.A. 17:27A-4d(3) which states that, “not less than one-third of the directors of a domestic insurer shall be persons who are not officers or employees of that insurer or of any entity controlling, controlled by, or under common control with that insurer and who are not beneficial owners of a controlling interest in the voting securities of that insurer or any such entity”. However, in accordance with N.J.S.A. 17:27A-4d(5), the provisions of paragraph (3) shall not apply to a domestic insurer if the person controlling the insurer is an entity having a board of directors that substantially meet the requirements of this paragraph. Under N.J.S.A. 17:27A-4d (5), the Company’s ultimate controlling entities is CNAF. It has been determined by this examination that CNAF is subject to compliance with N.J.S.A. 17:50-1 et. al.

At December 31, 2021, the CNAF Board consisted of ten (10) members, one (1) of whom was the CEO of the Company, Dino Robusto, five (5) of whose were Loews representatives and four (4) of whom were independent directors. The 4 independents comprise the full membership of the Audit Committee. Therefore, since the controlling entity has a board of directors and committees that meet the requirements of N.J.S.A. 17:27A-4d(3) and N.J.S.A. 17:27-4d(4) the Company complies with these statutes.

CONFLICT OF INTEREST

CNA has established procedures for the reporting of conflicts of interest by directors, officers and key employees. Directors, officers and key employees are required to complete Conflict of Interest Statements on an annual basis. Additionally, the directors, officers and key employees stipulate that they will notify management immediately if a potential conflict arises in the interim. No exceptions were noted during the examination review.

FIDELITY BOND AND OTHER INSURANCE COVERAGES

The Company's ultimate parent, CNAF carries Fidelity Bond coverage with licensed carriers. The amount of the Bond meets the recommendation amount suggested by the NAIC Financial Condition Handbook. CNAF also maintains the appropriate amounts of other insurance coverages, such as workers compensation, umbrella, cyber, directors and officers, etc.

ACCOUNTS AND RECORDS

The Company utilizes automated systems to maintain and account for most transactions. The Workday General Ledger constitutes the Company's official book of record for financial reporting. The General Ledger consists of various ledgers that contain specific types of information required to support GAAP, STAT, SEC and Internal Management Reporting requirements.

The internal auditors perform regular reviews of the accounts and records of the Company and may recommend changes in Company procedures. An independent certified public accounting firm conducts an ongoing audit of operations with interim recommendations to management and an annual certified report to the Board of Directors.

INFORMATION SYSTEMS CONTROL REVIEW

Based on the Information Technology (IT) examination, the overall risk mitigation strategies/controls related to the information systems identified for CNA have been determined to be Effective.

The Company maintains a disaster recovery and business continuity program. The plan has processes required to restore critical systems and functions in the event of a disaster to continue its business operations whether at home office or remotely.

In the opinion of the IT examiners, there are no IT-related examination report comments/recommendations.

STATUTORY DEPOSITS

As of December 31, 2023, the Company had only one statutory deposit for the benefit of policyholders:

<u>Location</u>	<u>Par Value</u>	<u>Admitted Value</u>
State of New Jersey	<u>\$121,000</u>	<u>\$113,383</u>

Special deposits were verified with the New Jersey Department of Banking and Insurance.

FINANCIAL STATEMENTS AND OTHER EXHIBITS

Exhibit A – Balance Sheet as of December 31, 2023

Exhibit B – Underwriting and Investment Exhibit for the five-year
Period Ended December 31, 2023

Exhibit C – Capital and Surplus Account for the Five-year Period
Ended December 31, 2023

Exhibit A

BALANCE SHEET AS OF DECEMBER 31, 2023

Asset:	Balance per <u>Company</u> 12/31/2023	Balance per <u>Examination</u> 12/31/2023	<u>Note</u>
Bonds	\$10,469,330	\$10,469,330	1
Cash & short-term investments	2,597,565	2,597,565	
Investment income due and accrued	92,486	92,486	
Receivable from parent, subsidiaries or affiliates	977	977	
Total Assets	<u>\$13,160,358</u>	<u>\$13,160,358</u>	
<u>Liabilities:</u>			
Losses	\$ 0	\$ 0	2
Loss adjustment expenses	0	0	2
Current federal and foreign income taxes	3,952	3,952	
Net deferred tax liability	<u>5,811</u>	<u>5,811</u>	
Total liabilities	<u>\$ 9,763</u>	<u>\$ 9,763</u>	
Common capital stock	\$ 4,200,000	\$ 4,200,000	3
Gross paid in and contributed surplus	7,094,138	7,094,138	
Unassigned funds	<u>1,856,457</u>	<u>1,856,457</u>	
Surplus as regards policyholders	<u>13,150,595</u>	<u>13,150,595</u>	3
TOTALS	<u>\$13,160,358</u>	<u>\$13,160,358</u>	

Exhibit B

UNDERWRITING AND INVESTMENT EXHIBIT
FIVE YEARS ENDED DECEMBER 31, 2023

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>UNDERWRITING INCOME</u>					
Premiums earned	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Deductions:					
Losses incurred	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Loss expenses incurred					
Other underwriting expenses incurred					
Total underwriting deductions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net underwriting gain or (loss)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>INVESTMENT INCOME</u>					
Net investment income earned	\$596,420	\$355,436	\$415,581	\$405,527	\$538,603
Net realized capital gains or (losses)	71,463	0	(19,074)	(27,143)	0
Net investment gain or (loss)	\$667,883	\$355,436	\$396,507	\$378,384	\$538,603
<u>OTHER INCOME</u>					
Net Gain or Loss From Agents Balances Charged Off	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous Income	0	0	0	0	0
Total Other Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net income before dividends to policyholders and before federal and foreign income taxes	\$667,883	\$355,436	\$396,507	\$378,384	\$538,603
dividends to policyholders	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net income after dividends to policyholders but before federal and foreign income taxes	\$667,883	\$355,436	\$396,507	\$378,384	\$538,603
Federal and foreign income taxes incurred	115,718	71,623	64,874	77,458	106,633
<u>NET INCOME</u>	<u>\$552,165</u>	<u>\$283,813</u>	<u>\$331,633</u>	<u>\$300,926</u>	<u>\$431,970</u>

Exhibit C

CAPITAL AND SURPLUS ACCOUNT FIVE YEARS ENDED DECEMBER 31, 2023

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Surplus as regards policyholders:					
December 31, prior year	\$19,453,336	\$18,106,447	\$16,592,235	\$15,321,068	\$14,119,939
Net income	552,165	283,813	331,633	300,926	431,970
Change in unrealized capital gains (losses)	0	0	0	0	0
Change in unrealized foreign exchange	0	0	0	0	0
Change in net deferred income tax	946	2,264	(3,089)	(2,055)	(1,315)
Change in nonadmitted assets	0	(289)	289	0	0
Cumulative effect on changes in accounting principles					
Dividends to stockholders	<u>1,900,000</u>	<u>1,800,000</u>	<u>1,600,000</u>	<u>1,500,000</u>	<u>1,400,000</u>
Increase or (decrease) in surplus as regards policyholders	<u>\$(1,346,889)</u>	<u>\$(1,514,212)</u>	<u>\$(1,271,167)</u>	<u>\$(1,201,129)</u>	<u>\$ (969,344)</u>
Surplus as regards policyholders:					
December 31, current year	<u>\$18,106,447</u>	<u>\$16,592,235</u>	<u>\$15,321,068</u>	<u>\$14,119,939</u>	<u>\$13,150,595</u>

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – BONDS

The Company reported an admitted asset for bonds of \$10,469,330 at December 31, 2023. The Company did not have any investment in preferred or common stock at December 31, 2023. These amounts will be accepted as stated by this examination.

Note 2 – LOSSES

At December 31, 2023, the Company reported a net liability for Losses and Loss Adjustment Expenses of \$0 and \$0, respectively. The actuarial review of the Loss and Loss Adjustment Expenses Reserves was performed in conjunction with the coordinated exam. The Property & Casualty Actuarial Division of the NJDOBI reviewed the Report on the Actuarial Examination.

Note 3 – CAPITAL AND SURPLUS

This examination determined total capital and surplus to be in the amount of \$13,150,595 which agrees with the amount reported by the Company at December 31, 2023, as summarized:

Common Capital Stock	\$ 4,200,000
Gross Paid In and Contributed Surplus	7,094,138
Unassigned Funds (Surplus)	<u>1,856,457</u>
Total	\$ <u>13,150,595</u>

The Continental Insurance Company of New Jersey's capital stock is comprised of 10,000 shares (authorized and outstanding) with a \$420.00 par value per share.

The Company was determined to be in compliance with the statutory minimum capital and surplus requirements specified by N.J.S.A. 17:17-1 at December 31, 2023.

It was determined that the Company received no capital contributions during the current examination period.

The examination resulted in no material findings affecting the Company's surplus as stated.

SUMMARY OF EXAMINATION RECOMMENDATIONS

There were no recommendations.

CONCLUSION

The undersigned hereby certifies that an examination has been made of The Continental Insurance Company of New Jersey and the foregoing report is true to the best of my knowledge and belief.

Respectfully submitted,

Lori Ruggiero

Lori Ruggiero, CFE, CIE, MCM
Examiner-in-Charge
The NOVO Consulting Group, LLC
Representing the State of New Jersey Department of
Banking and Insurance

Under the supervision of:

Nancy Lee Chice

Nancy Lee Chice, CFE
CFE Reviewer – Supervising Examiner
New Jersey Department of Banking and Insurance

NOTARIZATION

The Continental Insurance Company of New Jersey

I, Lori Ruggiero, do solemnly swear that the foregoing report of examination is hereby represented to be a full and true statement of the condition and affairs of the subject insurer as of December 31, 2023, to the best of my information, knowledge, and belief.

Respectfully Submitted,

Lori Ruggiero

Lori Ruggiero, CFE, CIE, MCM
Examiner-in-Charge
The NOVO Consulting Group, LLC
Representing the State of New Jersey Department of
Banking and Insurance

Under the supervision of:

Nancy Lee Chice

Nancy Lee Chice, CFE
CFE Reviewer – Supervising Examiner
New Jersey Department of Banking and Insurance

State of New Jersey
County of Mercer

Subscribed and sworn to before me, Sheila Tkacs, on
this 9th day of May, 2025.

Sheila Tkacs

Notary Public of New Jersey

My commission expires:

July 2025