

REPORT ON EXAMINATION AS TO THE CONDITION OF

CIGNA HEALTHCARE OF NEW JERSEY, INC.

JERSEY CITY, NEW JERSEY

AS OF DECEMBER 31, 2023

NAIC GROUP CODE 0901

NAIC COMPANY CODE 95500

FILED

June 16, 2025

Commissioner

New Jersey Department

Of

Banking and Insurance

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State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
DIVISION OF INSURANCE
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May 15, 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

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:

CIGNA HEALTHCARE OF NEW JERSEY, INC.
JERSEY CITY, NJ 07102
NAIC GROUP CODE 0901
NAIC COMPANY CODE 95500

a domestic health maintenance organization (HMO) authorized to transact business in the State of New Jersey. Hereinafter, Cigna Healthcare of New Jersey, Inc. will be referred to as the "Company."

SCOPE OF 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. Section 26:2J-18.1 of the New Jersey Revised Statutes.

The examination was made as of December 31, 2023 and addressed the five-year period from January 1, 2019 to December 31, 2023. During this period, the Company's reported admitted assets decreased from \$13,913,898 to \$2,631,371 and total capital & surplus decreased from \$10,031,337 to \$2,560,215.

This examination was part of the coordinated examination of The Cigna Group (Cigna), conducted by the Connecticut Insurance Department (CID). The examination was conducted in accordance with the proposed risk-focused procedures and guidelines prescribed by the National Association of Insurance Commissioners (NAIC). This examination, for common subject matter, relied upon the CID to identify risk classifications and inherent risks of key functional activities. CID was also responsible for the preparation of matrices that identify controls and risk mitigation strategies. Finally, CID determined residual risk and prepared substantive test procedures deemed necessary.

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. All other financial matters were reviewed and determined not to be material for discussion in this report.

COMPLIANCE WITH PRIOR REPORT ON EXAMINATION RECOMMENDATIONS

There were no comments and recommendations in the Company's prior report on examination as of December 31, 2018.

HISTORY

The Company is domiciled in the State of New Jersey and is a licensed HMO. The Company's Certificate of Authority is a license to operate in the State of New Jersey as an HMO for the purpose of providing comprehensive healthcare services.

All outstanding shares (1,000 shares with a \$1.00 par value) of the Company are owned by

Healthsource, Inc. (Parent), which is which is a wholly-owned subsidiary of Cigna Health Corporation (“CHC”), which is an indirect wholly-owned subsidiary of The Cigna Group (“Cigna”), the ultimate parent. On February 13, 2023, the ultimate parent of the Company changed its corporate name from Cigna Corporation to the “The Cigna Group”.

Cigna is a Delaware corporation with its principal executive offices and books and records located at 900 Cottage Grove Road, Bloomfield, CT. The Company was incorporated on September 30, 1986.

There was a \$5,500,000 and \$6,000,000 dividend payment to stockholders for the years ended December 31, 2022 and December 31, 2020, respectively. The Company did not receive any capital infusions from the Parent during the exam period.

STATUTORY DEPOSIT

As of December 31, 2023, the Company, in accordance with N.J.S.A. 17B:18-37(c), had a market value of \$961,469 for the New Jersey statutory deposits.

TERRITORY AND PLAN OF OPERATIONS

The Company was licensed as an HMO and became operational in February 1988. The current service areas include all of New Jersey’s 21 counties.

The Company is a federally-qualified HMO licensed to provide commercial non-governmental health insurance services in the State of New Jersey.

The Company’s products are sold by affiliated companies as a single product or in cooperation with other Cigna products. The primary strategy for marketing in New Jersey is to utilize the existing employee benefit and business expertise and broker relationships of Cigna group sales offices and the National Accounts Department to solicit companies who have employees residing in New Jersey. In addition, the Cigna sales force will use their contacts to market to New Jersey employers. 100% of the Company’s revenue is derived from four customers.

The Company has no employees. All personnel, material, facilities and services necessary for the Company to transact the business of insurance in the State of New Jersey are provided to the Company by CHC under the terms of a management services agreement discussed further in this report under the heading “Intercompany Agreements”.

REINSURANCE

The Company maintains an affiliated surplus reinsurance agreement with its affiliate Cigna Health and Life Insurance Company (CHLIC). The contract originally was reinsured by its affiliate Connecticut General Life Insurance Company (CGLIC) effective January 1, 1994. CHLIC replaced CGLIC as the assuming reinsurer for all liabilities on or after January 1, 2013. Under the contract, 80% of all healthcare claim services provided to members is ceded and accepted by the

reinsurers for amounts above a \$150,000 deductible. Premiums paid for coverage are provided based upon a monthly premium payment per member.

CORPORATE RECORDS

A review of the minutes of the Board of Directors' meetings noted that all meetings were well attended. The Board minutes also indicated that the Company's overall transactions and events were adequately supported and approved.

MANAGEMENT AND CONTROL

In accordance with Article III, Section 2 of the by-laws, the Company had a Board of Directors comprised of thirteen individuals. The following directors were elected and serving at the examination date:

Name	Principal Occupation
Bruce Grimm	Senior Vice President Segment Lead
Peter McCauley, M.D.	Medical Managing Director
Kathleen M. O'Neil	Accounting Senior Director

In accordance with Article V, Section 1 of the by-laws, the following officers were appointed and serving at the examination date:

Name of Officer	Title
Bruce Grimm	President
Scott Ronald Lambert	Treasurer, Vice President
Geneva Brown	Secretary
Rebecca Skripol	Actuary
Glenn Michael Gerhard	Vice President
Mark Paul Fleming	Vice President
Joanne Ruth Hart	Vice President
Kathleen M. O'Neil	Vice President
Timothy Sheridan	Vice President
Paul Schaeffer	Vice President

N.J.S.A. 17:27A-4d(3) states, "Not less than one-third of the domestic insurer, and not less than one-third of the members of each committee of the board of directors of any 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. At least one such person shall be included in any quorum for the transaction of business at any meeting of the board of directors or any committee thereof."

N.J.S.A. 17:27A-4d(4) states, "The board of directors of a domestic insurer shall establish one or more committees comprised solely of directors who are not officers or employees of the insurer or

of any entity controlling, controlled by, or under common control with, the insurer and who are not beneficial owners of a controlling interest in the voting securities of the insurer or any such entity. The committee shall be responsible for recommending the selection of independent certified public accountants, reviewing the insurer's financial condition, the scope and results of the independent audit, nominating candidates for director for election by shareholders or policyholders, evaluating the performance of officers deemed to be principal officers of the insurer and recommending to the board of directors the selection and compensation, including bonuses or other special payments, of the principal officers."

N.J.S.A. 17:27A-4d(5) states, "The provisions of paragraphs (3) and (4) of this subsection d. shall not apply to a domestic insurer if the person controlling the insurer is an entity having a board of directors and committees thereof that substantially meet the requirements of those paragraphs."

The Company satisfies the requirements of N.J.S.A. 17:27A-4d(5), as its ultimate parent, Cigna, meets the requirements of this statute.

All transactions and actions taken by the officers of the Company on its behalf are ratified by the Board of Directors and by the Company shareholders at the Annual Shareholders Meeting.

REGULATION OF INSURANCE HOLDING COMPANY SYSTEMS

The Company is a member of an insurance holding company system as defined by N.J.S.A. 17:27A-1. As of December 31, 2023, all of the outstanding shares of the Company were owned by the Parent which is a wholly-owned subsidiary of CHC, which is an indirect wholly-owned subsidiary of Cigna, the ultimate parent. Cigna is a global health services organization incorporated in Delaware.

A review of the Company's holding company registration statement indicated that the Company was 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 had no subsidiaries as of December 31, 2023. The following is a partial organization chart which illustrates the interrelationships of the Company's related companies within the holding company system as of December 31, 2023:

The Cigna Group (Delaware Corporation and Ultimate Parent)
Cigna Holdings, Inc.
Connecticut General Corporation
Cigna Health Corporation
Healthsource, Inc.
Cigna Healthcare of Arizona, Inc.
Cigna Healthcare of Colorado, Inc.
Cigna Healthcare of Connecticut, Inc.
Cigna Healthcare of Florida, Inc.
Cigna Healthcare of Georgia, Inc.
Cigna Healthcare of Illinois, Inc.
Cigna Healthcare of Indiana Inc.

Cigna Healthcare of New Hampshire Inc.
Cigna Healthcare of New Jersey Inc.
Cigna Healthcare of North Carolina Inc.
Cigna Healthcare of St Louis Inc.
Cigna Healthcare of South Carolina, Inc.
Cigna Healthcare of Tennessee, Inc.
Cigna Healthcare of Texas, Inc.

INTER-COMPANY AGREEMENTS / RELATED PARTY TRANSACTIONS

The Company was a named party to the following affiliated agreements at the examination date:

Management Services Agreement

The agreement, dated January 1, 1994, is between CHC and each of its subsidiaries or affiliates including the Company. Under the agreement, CHC and certain affiliates provide management services to the Company and its affiliated HMOs.

Network Access Agreement

The agreement, dated April 30, 2002, is between CGLIC and certain subsidiaries of Cigna, including HMOs and the Company. The Agreement allows CGLIC and each of the HMOs to utilize the networks of participating providers maintained by its affiliated HMOs. Under the agreement, an HMO may also provide to or receive from other participants certain administrative services associated with network access.

Investment Advisory Agreement

The Company participates in an investment advisory agreement with its affiliate, Cigna Investments, Inc. whereby Cigna Investments, Inc. acts as the Company's investment advisor. The agreement, dated October 8, 2009, replaces a previous agreement with another affiliated investment advisor, then known as Cigna Investments, Inc. and now known as "Former Cigna Investments, Inc.", or "former CII". There were no substantive changes made to the new agreement including the manner in which fees are assessed.

Dental Consultation Agreement

Effective October 1, 2000, the HMOs, including the Company, contracted with Cigna Dental Health, Inc. to provide dental consultations upon request with respect to selected dental cases.

Cigna Health Management, Inc. Agreement

The agreement dated January 1, 2001, and amended January 1, 2012, is between Cigna Health Management, Inc. (also, "CHM", formerly known as International Rehabilitation Associates, Inc. doing business as Intracorp), CGLIC, and CHC on behalf of certain of its subsidiaries, including the Company. Pursuant to the agreement, CHM provides consultative services with respect to utilization management, case management, demand management, disease management, care management and any other consultative services in conjunction with the administration of such plans to the enrollees of the participating plans.

Line of Credit Agreement

Effective May 31, 2022, the Line of Credit Agreement (also known as the LOC Agreement) is by and between Cigna HealthCare of New Jersey, Inc. (borrower) and Cigna Holdings, Inc. (lender). Under the agreement, CHC would loan funds to the Company from time to time to ensure that the Company will be able to meet its operational cash obligations while earning additional investment income.

Consolidated Tax Agreement

The agreement, originally effective April 1, 1982, was amended and restated effective January 1, 1997. The agreement is by and between Cigna and each of its subsidiaries, including the Company. Pursuant to the agreement, tax payments are paid to Cigna based on the subsidiaries' taxable income. In the case of a taxable loss, Cigna will pay the subsidiary a refund based on the subsidiary's taxable loss, but only to the extent Cigna is able to utilize the loss in the consolidated tax return. The agreement shall be applicable only with respect to periods for which parties are members of the same affiliated group filing a consolidated federal income tax return. This section was meant to apply to companies entering or leaving the affiliated group after March 31, 1982.

MDLive Services Agreement

Effective January 1, 2023, the Company is party to the MDLive Services Agreement with MDLive, Inc. (MDL), which sets forth the terms and conditions under which MDL will provide telehealth services to the Company. The services provided under the MDLive Services Agreement include, but are not limited to, implementation support of telehealth services, account management, reporting, marketing support, call center access, information technology services, application programming interface, cyber insurance, eligibility processing, coordination of information and response related to complaints of MDL services, regulatory compliance and other ancillary services as agreed upon.

Commercial Rebate Services Agreement

Beginning in 2019, the Company was party to a Commercial Rebate Services Agreements and a Pharmacy Benefit Services Agreement (collectively "the agreements") with Express Scripts, Inc. ("ESI"). Under the agreements, ESI made the following pharmacy benefit management services available to the Company: manufacturer revenue services, formulary development, pharmacy network contracting, claims processing, care management, and clinical services. ESI is an indirect subsidiary of Cigna.

Health System Agreement

Beginning January 1, 2020, the Company is party to a Health System Agreement ("the Agreement") with eviCore healthcare MSI, LLC d/b/a evicore healthcare ("eviCore"). Under the Agreement, eviCore will arrange for the provision of the gene therapy drugs through its network of contracted specialty pharmacies and facilities.

Master Health System Agreement

Effective May 1, 2020, the Company entered into a Master Health System Agreement for its Commercial plans with eviCore and various affiliates. Under the agreement, eviCore arranges for the provision of certain covered services either by itself or through its established panel of represented providers and performs system services, including certain utilization management and

administrative services, as defined in the agreement. Charges for services are based on the compensation models described in the referenced agreement.

POLICY ON CONFLICT OF INTEREST

On an annual basis the Company's employees (including its Officers and Directors) attest to an affirmation of ethical standards and a disclosure of possible activities which could construe as a possible conflict of interest.

A review of the ethical attestations and conflictual disclosures for officers and directors revealed no exceptions.

FIDELITY BOND AND OTHER INSURANCE COVERAGES

The Company is a named insured on The Cigna Group's financial institution bond which is underwritten by National Union Fire Insurance Company of Pittsburgh, PA. The fidelity bond provides the Cigna Group with fidelity coverage up to an aggregate limit of liability of \$15,000,000 per the underwriters' single loss limit with respect to each insuring clause, for the period of April 30, 2024 through April 30, 2025. The amount of fidelity coverage carried on this policy meets the suggested minimum amount of fidelity coverage as measured on the Companies using the NAIC's formula and exposure index. The Cigna Group also maintains other insurance coverages on an individual or consolidated basis.

CONTINUITY OF OPERATIONS

A business continuity plan is necessary to help ensure the Company can adequately recover from a system failure or business interruption in a timely fashion and without the loss of significant data. Management should assess how the Company's reputation and financial status would be impacted in the event of a major processing disruption, and based on this assessment it should develop an appropriate continuity plan that would help to ensure the Company's daily operational data is retrievable.

The Group's comprehensive Business Continuity Plan ("Plan") was reviewed by the IT examination team on a Group basis. The IT review noted the Plan was tested at least annually, and no major concerns were noted.

FINANCIAL STATEMENTS AND EXHIBITS

Exhibit A – Comparative Statement of Assets, Liabilities, Surplus and Other Funds at December 31, 2023

Exhibit B – Statement of Revenue and Expenses for the Five-Year Period Ending December 31, 2023

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

EXHIBIT A

CIGNA HEALTHCARE OF NEW JERSEY, INC.
Comparative Statement of Assets, Liabilities, Surplus and Other Funds
At December 31, 2023

Admitted Assets	Current Examination at 12/31/2023	Balance per Company at 12/31/2023	Examination Change	Note Number
Bonds	\$ 1,080,559	\$ 1,080,559	\$ -	1
Cash, cash equivalents and short-term investments	1,533,562	1,533,562	-	
Investment income due and accrued	9,637	9,637	-	
Premiums and Considerations:				
Uncollected premiums and agents' balances in the course of collection	57	57	-	
HealthCare and other amounts receivable	7,556	7,556	-	
Amount recoverable from reinsurers			-	
Current federal and foreign income tax recoverable and interest thereon			-	
Total net admitted assets	<u><u>\$ 2,631,371</u></u>	<u><u>\$ 2,631,371</u></u>	<u><u>\$ -</u></u>	
Liabilities				
Claims unpaid	\$ 33,850	\$ 33,850	\$ -	2
Accrued medical incentive pool and bonus amounts	-	-	-	
Unpaid claim adjustment expenses	224	224	-	2
Aggregate health policy reserves	150	150	-	
General Expenses due or accrued	13,587	13,587	-	
Current federal and foreign income tax payable	20,520	20,520	-	
Nt deferred tax liability	424	424	-	
Ceded reinsurance premiums payable	140	140	-	
Amounts withheld or retained for the account of other	1,263	1,263	-	
Amounts due to parent, subsidiaries and affiliates	941	941	-	
Remittances and items not allocated	57	57	-	
Total liabilities	<u><u>71,156</u></u>	<u><u>71,156</u></u>	<u><u>-</u></u>	
Surplus and Other Funds				
Common capital stock	\$ 1,000	\$ 1,000	\$ -	3
Gross paid in and contributed surplus	21,597,365	21,597,365	-	3
Unassigned funds (surplus)	(19,038,150)	(19,038,150)	-	3
Total Capital and Surplus	<u><u>2,560,215</u></u>	<u><u>2,560,215</u></u>	<u><u>-</u></u>	
Total liabilities, capital and surplus	<u><u>\$ 2,631,371</u></u>	<u><u>\$ 2,631,371</u></u>	<u><u>\$ -</u></u>	

EXHIBIT B**CIGNA HEALTHCARE OF NEW JERSEY, INC.****Summary of Revenue and Expenses****For the Five-Year Period Ending December 31, 2023**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total revenues:					
Net premium income	\$ 72,238	\$ 80,351	\$ 397,391	\$ 358,806	\$ 2,198,132
Expenses					
Hospital/medical benefits	\$ 49,308	\$ 18,072	\$ 130,624	\$ 111,290	\$ (56,046)
Other professional services	(31,948)	24,046	6,295	15,680	20,791
Outside referrals	2,466	3,073	343,381	7,488	10,496
Emergency room and out-of-area	(807)	3,254	6,599	17,756	(684)
Prescription drugs	(584)	1,677	(1,962)	9,241	91,954
Incentive pool, withhold adjustments and bonus payments	1,401	1,754	5,175	2,296	28,202
Less:					
Net reinsurance recoveries	-	-	-	-	392,174
Total hospital and medical	\$ 19,836	\$ 51,876	\$ 490,112	\$ 163,751	\$ (297,461)
Claims adjustment expenses	\$ 682	\$ 1,095	\$ 13,189	\$ 16,679	\$ (821)
General administrative expenses	46,345	21,173	163,059	(56,261)	810,601
(Decrease) increase in reserves for life and accident and health contracts	(370)	180	90	(1,290)	(2,133,950)
Total underwriting deductions	\$ 66,493	\$ 74,324	\$ 666,450	\$ 122,879	\$ (1,621,631)
Net underwriting (loss)	\$ 5,745	\$ 6,027	\$ (269,059)	\$ 235,927	\$ 3,819,763
Net investment income earned	\$ 91,599	\$ 48,685	\$ 12,861	\$ 69,953	\$ 198,396
Net realized capital losses, net of taxes	-	10	(2)	-	-
Net investment gains	\$ 91,599	\$ 48,695	\$ 12,859	\$ 69,953	\$ 198,396
Net (loss) from agents' or premium balances charge off	\$ (107)	\$ 6	\$ (47)	\$ (11)	\$ 66,195
Net (loss) after capital gains tax and before all other federal income taxes	\$ 97,237	\$ 54,728	\$ (256,247)	\$ 305,869	\$ 4,084,354
Federal and foreign income taxes incurred	20,493	11,956	(52,816)	90,008	388,492
Net Income	\$ 76,744	\$ 42,772	\$ (203,431)	\$ 215,861	\$ 3,695,862

EXHIBIT C**CIGNA HEALTHCARE OF NEW JERSEY, INC.****Capital and Surplus Account****For the Five-Year Period Ended December 31, 2023**

	2023	2022	2021	2020	2019
Capital and Surplus, Prior Year	<u>\$ 2,464,903</u>	<u>\$ 7,940,002</u>	<u>\$ 8,138,903</u>	<u>\$ 13,779,605</u>	<u>\$ 10,031,337</u>
Net Income	\$ 76,744	\$ 42,772	\$ (203,431)	\$ 215,861	\$ 3,695,862
Change in Net Deferred Income Tax	(4,834)	5,154	290	(5,277)	4,243
Change in Nonadmitted Assets	23,402	(23,025)	(790)	24,233	48,163
Dividends to Stockholders	0	(5,500,000)		(6,000,000)	0
Aggregate Write-ins for Losses in Surplus	<u>0</u>	<u>0</u>	<u>5,030</u>	<u>124,481</u>	<u>0</u>
Net Change in Capital and Surplus	<u>\$ 95,312</u>	<u>\$ (5,475,099)</u>	<u>\$ (198,901)</u>	<u>\$ (5,640,702)</u>	<u>\$ 3,748,268</u>
Capital and Surplus, Current Year	<u><u>\$ 2,560,215</u></u>	<u><u>\$ 2,464,903</u></u>	<u><u>\$ 7,940,002</u></u>	<u><u>\$ 8,138,903</u></u>	<u><u>\$ 13,779,605</u></u>

NOTES TO THE FINANCIAL STATEMENTS

There were no changes made to the assets, liabilities or surplus balances reported by the Company for the year ended December 31, 2023. The surplus as regards policyholders, which totaled \$2,560,215 as of the examination date, was determined to be reasonably stated and in compliance with N.J.S.A. 17:17 et seq.

Note 1 – Bonds

The following securities were held on special deposit by states on behalf of the Company as of December 31, 2023:

<u>State</u>	<u>Statement Value</u>	<u>Fair Value</u>
New Jersey	\$1,080,558	\$961,469

Note 2 - Claims Unpaid and Unpaid Claim Adjustment Expenses

No adjustments to reserves or surplus were indicated as a result of the actuarial portion of the examination. The assumptions used were generally found to be appropriately conservative.

Summarized below are the recorded estimates which were included in our review:

Claims unpaid	\$ 33,850
Unpaid claims adjustment expense	224
Aggregate health policy reserves	<u>150</u>
Total	<u>\$ 34,224</u>

The examination team collaborated with the actuaries to conduct all of the reviews of internal controls and risk analysis.

The aggregate net amounts above, which were reported by the Company, met or exceeded the statutory minimums of the State of New Jersey. The claims reserves and policy reserves, including Incurred but Not Reported (IBNR), as reported by the Company were deemed to be reasonable in light of the liabilities they support and materially in compliance with the Statutes of the State of New Jersey. This examination conclusion is not a guarantee that the reserves and any supporting assets will be adequate under every scenario of future experience; the results reached in this analysis are dependent on the assumptions used. Realized results may vary as actual experience differs from the assumptions.

Note 3 – Capital and Surplus

The Company reported total capital and surplus in the amount of \$2,560,215 at December 31, 2023.

The Company's common capital stock consisted of 1,000 shares issued and outstanding, each with a \$1.00 par value. The shares of the Company are owned by its parent, Healthsource, Inc.

During this examination period, the Company paid dividends to its Parent of \$5,500,000 and \$6,000,000 for the years ended December 31, 2022 and December 31, 2020, respectively. These

dividends were verified as part of this examination. At December 31, 2023, The Company had unassigned funds (surplus) of \$(19,038,150) and Total gross paid-in and contributed surplus of \$21,597,365 at December 31, 2023. The Company was determined to be in compliance with the minimum capital and surplus requirements of the State of New Jersey at December 31, 2023.

SUMMARY OF EXAMINATION RECOMMENDATIONS

There were no recommendations.

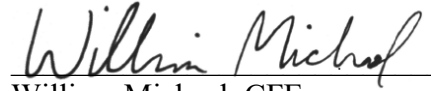
SUBSEQUENT EVENTS

There were no significant subsequent events which would have a material effect on the financial condition of the Company.

CONCLUSION


The courteous assistance and cooperation of the Company's officers and employees is acknowledged.

Respectfully Submitted,



William Michael, CFE
Risk and Regulatory Consulting, LLC
Examiner-In-Charge
Representing the State of New Jersey

Under the supervision of,



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

CERTIFICATION

The undersigned hereby, do solemnly swear that the foregoing report of examination 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,

William Michael
William Michael, CFE
Risk & Regulatory Consulting, LLC
Examiner-In-Charge
Representing the State of New Jersey

Under the supervision of,

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

State of New Jersey
County of Mercer

Subscribed and sworn to before me, on this 14th day of May 2025.

Shirley M. Thores
Notary Public of New Jersey

My commission expires: July 2025