



**EXAMINATION REPORT
OF**

**AMERICAN BANKERS INSURANCE COMPANY
OF FLORIDA**

NAIC Company Code: 10111

**Miami, Florida
as of
December 31, 2017**

**BY THE
FLORIDA
OFFICE OF INSURANCE REGULATION**

TABLE OF CONTENTS

LETTER OF TRANSMITTAL	-
SCOPE OF EXAMINATION	1
SUMMARY OF SIGNIFICANT FINDINGS	2
CURRENT EXAMINATION FINDINGS	2
PREVIOUS EXAMINATION FINDINGS	2
COMPANY HISTORY	2
GENERAL	2
DIVIDENDS	3
CAPITAL STOCK AND CAPITAL CONTRIBUTIONS.....	3
SURPLUS NOTES	3
ACQUISITIONS, MERGERS, DISPOSALS, DISSOLUTIONS	4
MANAGEMENT AND CONTROL	4
CORPORATE GOVERNANCE	4
HOLDING COMPANY SYSTEM	6
ACCOUNTS AND RECORDS	6
CUSTODIAL AGREEMENT	6
INDEPENDENT AUDITOR AGREEMENT	6
CORPORATE RECORDS REVIEW.....	7
CONFLICT OF INTEREST.....	7
SIMPLIFIED ORGANIZATIONAL CHART	8
TERRITORY AND PLAN OF OPERATIONS	9
TREATMENT OF POLICYHOLDERS	9
REINSURANCE	9
REINSURANCE ASSUMED.....	10
REINSURANCE CEDED.....	10
INFORMATION TECHNOLOGY REPORT	10
STATUTORY DEPOSITS	11
FINANCIAL STATEMENTS	12
ASSETS	13
LIABILITIES, SURPLUS AND OTHER FUNDS	14
STATEMENT OF INCOME	15
RECONCILIATION OF CAPITAL AND SURPLUS.....	16
COMMENTS ON FINANCIAL STATEMENT ITEMS	17
LIABILITIES	17
CAPITAL AND SURPLUS	17
SUMMARY OF RECOMMENDATIONS	19
CONCLUSION	20

May 3, 2019

David Altmaier
Commissioner
Office of Insurance Regulation
State of Florida
Tallahassee, Florida 32399-0326

Dear Commissioner:

Pursuant to your instructions, in compliance with Section 624.316, Florida Statutes, Rule 690-138.005, Florida Administrative Code, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners ("NAIC"), we have conducted an examination as of December 31, 2017, of the financial condition and corporate affairs of

American Bankers Insurance Company of Florida

11222 Quail Roost Drive
Miami, Florida 33157

hereinafter referred to as the "Company." Such report of examination is herewith respectfully submitted.

SCOPE OF EXAMINATION

This examination covered the period of January 1, 2014, through December 31, 2017, and commenced with planning at the Florida Office of Insurance Regulation (“Office”) on September 5, 2018. The fieldwork commenced on September 5, 2018, and concluded as of May 3, 2019. The Company’s last full scope examination by representatives of the Office covered the period of January 1, 2011, through December 31, 2013.

The examination was a coordinated holding company group examination conducted in accordance with the NAIC Financial Condition Examiners Handbook (“Handbook”). The Handbook requires that the examination be planned and performed 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. The lead state for this examination was Delaware; states and territories that participated in this examination are as follows:

Florida	Georgia
New York	South Dakota
Texas	Wisconsin
Puerto Rico	

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 Statements of Statutory Accounting Principles (“SSAP”).

This examination report includes significant findings of fact, as mentioned in Section 624.319, Florida Statutes, and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (for example, subjective conclusions or proprietary information), are not included within the examination report but separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

Current Examination Findings

The following is a summary of significant non-compliance findings.

Section 628.261, Florida Statutes, requires that the Office be given written notice of any change of personnel among the directors or principal officers of the insurer within 45 days of such change. The Office was not notified of the removal of principal management and directors that occurred during the examination period.

Previous Examination Findings

There were no findings, exceptions or corrective action to be taken by the Company for the examination as of December 31, 2013.

COMPANY HISTORY

General

The Company was incorporated in Florida on October 29, 1947, and commenced business on December 30, 1948. In 1980, there was a tax-free reorganization whereby a holding company was formed. The Company's shares held by the public were surrendered in exchange for shares of the holding company, American Bankers Insurance Group, Inc. ("ABIG"). ABIG is a wholly owned subsidiary of Interfinancial, Inc., a Georgia corporation, which in turn is a wholly owned subsidiary of Assurant, Inc.

On January 1, 2004, the Company was an indirect wholly owned subsidiary of Fortis, Inc., domiciled in the United States, which was an indirect wholly owned subsidiary of Fortis N.V. of the Netherlands and Fortis SA/NV of Belgium (collectively "Fortis") through their affiliates including their wholly owned subsidiary, Fortis Insurance N.V.

On February 5, 2004, Fortis sold approximately sixty-five percent (65%) of its ownership interest in Fortis, Inc. through an Initial Public Offering ("IPO") and retained approximately thirty-five

percent (35%) of its ownership, resulting in 50,199,130 shares. In connection with the IPO, Fortis, Inc. was merged into Assurant, Inc., a Delaware corporation, which was formed solely for the purpose of the redomestication of Fortis, Inc. After the merger, Assurant, Inc. became the successor to the business, operations and obligations of Fortis, Inc. Assurant Inc. stocks are traded on the New York Stock Exchange under the symbol AIZ.

ABIC operates in various property and casualty lines, the most significant of which are mobile devices coverage, flood, homeowners, mobile home physical damage, retail and auto warranty and credit insurance programs. Business is primarily produced through financial institutions, retailers and other entities which provides consumer financing as a regular part of their business. The Company has a wholly owned subsidiary, American Bankers General Agency, Inc. (“ABGA”) which controls, through a management agreement, Reliable Lloyds Insurance Company. The Company holds a Certificates of Authority in all fifty states, District of Columbia, Puerto Rico, U.S. Virgin Islands and Canada.

Dividends

In accordance with Section 628.371, Florida Statutes, the Company declared and paid dividends to its stockholders in the amount of:

2014	\$120,000,000
2015	\$203,000,000
2016	\$98,000,000
2017	\$90,000,000

Capital Stock and Capital Contributions

As of December 31, 2017, the Company’s capitalization was as follows:

Number of authorized common capital shares	10,000,000
Number of shares issued and outstanding	5,083,164
Total common capital stock	\$5,083,164
Par value per share	\$1.00

Surplus Notes

The Company did not have any surplus notes during the period of this examination.

Acquisitions, Mergers, Disposals, Dissolutions

The Company had no acquisitions, mergers, disposals or dissolutions during the period of this examination.

MANAGEMENT AND CONTROL

Corporate Governance

The annual shareholder meeting for the election of Directors was held in accordance with Section 628.231, Florida Statutes. Directors serving as of December 31, 2017, are shown below:

Directors

Name	City, State	Principal Occupation, Company Name
Gregory Joseph De Church	Miami, Florida	Deputy General Counsel, Assurant, Inc.
Katharine Ann McDonald	Miami, Florida	Executive Vice President, Assurant, Inc.
Gene Edward Mergelmeyer	Santa Ana, California	Executive Vice President & Chief Operating Officer, Assurant, Inc.
Dina Olsen	Miami, Florida	Senior Vice President, ABIC
Kimberly Lee Swackhammer ¹	Miami, Florida	Vice President, Corporate Records and Information Management, ABIC

¹ Chairman

In accordance with the Company's Bylaws, the Board of Directors appointed the following Senior Officers:

Senior Officers

Name	City, State	Title
Jeannie Amy Aragon-Cruz	Miami, Florida	Secretary
Manuel Jose Becerra	Miami, Florida	Group Senior Vice President

Andrew Paul Chung	Miami, Florida	Treasurer
Gregory Joseph De Church	Miami, Florida	General Counsel
Jeffrey Alan Lamy	Davie, Florida	Actuary
Gene Edward Mergelmeyer	Yorba Linda, California	President
Katharine Ann McDonald	Pinecrest, Florida	Chief Executive Officer
Marilyn Montero Piccolo	Coral Gables, Florida	Chief Information Security Officer

Several of the Company's Board members were also members of numerous committees at the parent or ultimate parent level.

The Company's ultimate parent maintains an audit committee at the holding company level as required by Section 624.424(8)(c), Florida Statutes.

Audit Committee

Name	City, State	Title, Company Name
Howard Leroy Carver	Silverthorne, Colorado	Partner, Ernst & Young (Retired)
Elyse Douglas	Brooklyn, New York	Executive Vice President and Chief Financial Officer, The Hertz Corporation (Retired)
Paul Joseph Reilly	Garden City, New York	Executive Vice President, Arrow Electronics, Inc. (Retired)
Robert W. Stein ¹	New York, New York	Global Managing Partner, Ernst & Young (Retired)
Harriet Edelman ²	New Milford, Connecticut	Vice Chairman, Emigrant Savings Bank

¹ Chairman

² Effective May 7, 2019, Ms. Edelman became a member of the audit committee.

Holding Company System

The Company had in excess of one hundred agreements in force with various affiliates during the examination period. In 2017, the amount paid with respect to the management agreements and service contracts totaled \$91.2 million. These affiliated agreements primarily consisted of intercompany services agreements with Assurant, Inc., the ultimate parent, ABIG, the immediate parent and other entities. Under these agreements, the Company received or rendered services relating to administrative, information technology, investment management, operational, payment intermediary and various other services. The agreements were reflected in the holding company filings made by Assurant, Inc. on behalf of the Company and its affiliates. The most significant agreements by the Company were reviewed as part of the current examination, with no exceptions noted.

ACCOUNTS AND RECORDS

The Company maintained its principal operational offices in Miami, Florida. The Company's accounting records were maintained on a computerized system.

The Company had the following agreements with non-affiliated entities:

Custodial Agreement

The Company maintained a custodial agreement with JPMorgan Chase Bank, N.A. executed on September 13, 2005. The agreement complied with Rule 69O-143.042, Florida Administrative Code.

Independent Auditor Agreement

An independent CPA, PricewaterhouseCoopers LLP, audited the Company's statutory basis financial statements annually for the years 2014, 2015, 2016 and 2017, in accordance with

Section 624.424(8), Florida Statutes. Supporting work papers were prepared by the CPA firm as required by Rule 69O-137.002, Florida Administrative Code.

Corporate Records Review

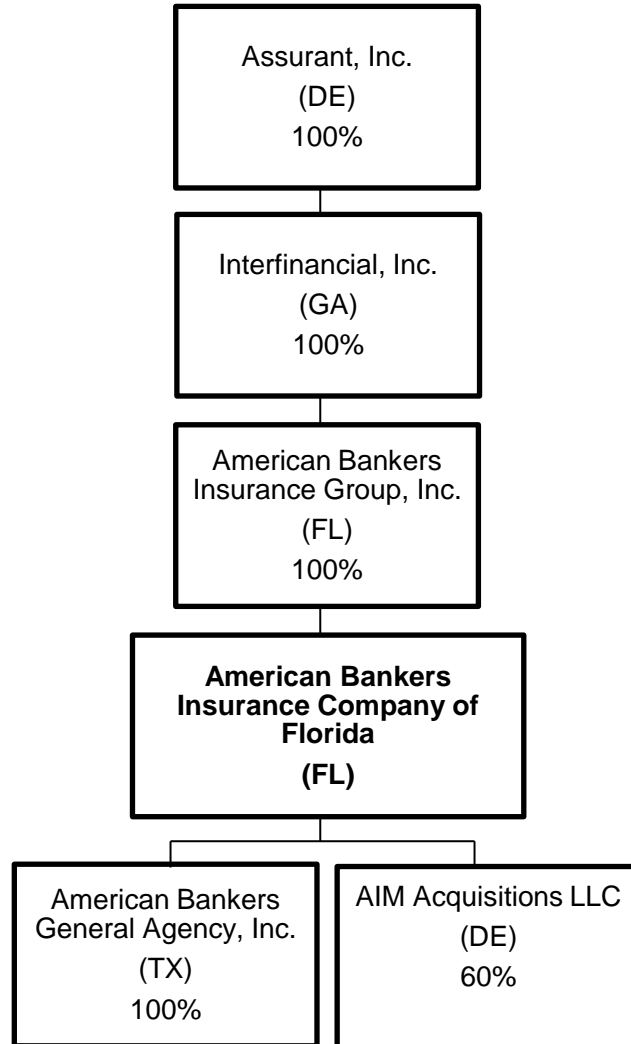
The recorded minutes of the Shareholder(s), Board of Directors (Board) and certain internal committees were reviewed for the period under examination. The recorded minutes of the Board documented its meetings and approval of Company transactions and events, in compliance with the Handbook adopted by Rule 69O-138.001, Florida Administrative Code, including the authorization of investments, as required by Section 625.304, Florida Statutes.

Conflict of Interest

The Company adopted a policy statement requiring periodic disclosure of conflicts of interest in accordance with the NAIC Financial Condition Examiners Handbook adopted by Rule 69O-138.001, Florida Administrative Code.

A simplified organizational chart as of December 31, 2017, reflecting the holding company system, is shown on the following page. Schedule Y of the Company's 2017 annual statement provided a list of all related companies of the holding company group.

American Bankers Insurance Company of Florida
Simplified Organizational Chart
December 31, 2017



TERRITORY AND PLAN OF OPERATIONS

The Company is authorized to transact insurance in all fifty states, the District of Columbia, Puerto Rico, the US Virgin Islands, and Canada.

The Company was authorized to transact insurance in Florida on December 30, 1948, and is currently authorized to write and reinsure the following coverages as of December 31, 2017:

Private Passenger Auto Physical Damage	Farmowners Multi-Peril
Mobile Home Multi-Peril	Service Warranties (Non-Auto)
Prepaid Legal	Livestock
Mobile Home Physical Damage	Glass
Credit Disability	Commercial Auto Liability
Inland Marine	Accident and Health
Earthquake	Ocean Marine
Surety	Homeowners Multi-Peril
Allied Lines	Home Warranties
Private Passenger Auto Liability	Miscellaneous Casualty
Auto Warranties	Fire
Commercial Multi-Peril	Other Liability
Bail bonds	Credit Disability
Commercial Auto Physical Damage	

Treatment of Policyholders

The Company established procedures for handling written complaints in accordance with Section 626.9541(1)(i)(3)(a), Florida Statutes. The Company maintained a claims procedure manual that included detailed procedures for handling each type of claim in accordance with Section 626.9541(1)(j), Florida Statutes.

REINSURANCE

The reinsurance agreements reviewed complied with NAIC standards with respect to the standard insolvency clause, arbitration clause, intermediary clause, transfer of risk, reporting and settlement information deadlines.

Reinsurance Assumed

In 2017, the Company assumed \$133.9 million in business from its affiliates. The affiliated business consisted primarily of lines originating from Reliable Lloyds Insurance Company, Voyager Indemnity Insurance Company, and Assurant Danos Mexico S.A. In 2017, the Company assumed \$120.8 million in business from non-affiliates. The non-affiliated business consisted primarily of lines originating from Ranchers and Farmers Mutual Insurance Company.

Reinsurance Ceded

In 2017, the Company ceded \$23.7 million in business to its affiliates and \$3.4 billion in business to non-affiliates. A substantial portion of the Company's reinsurance activities are related to agreements to reinsure premiums generated by certain clients' own captive insurance companies or to reinsure subsidiaries in which the clients have an ownership interest. The Company is not relieved of its primary obligation to the policyholders in a reinsurance transaction, therefore a credit exposure exists to the extent that any reinsurer is unable to meet its obligations under the reinsurance contracts. To mitigate this exposure to reinsurance insolvencies, the Company evaluates the financial condition of its reinsurers and holds collateral (in the form of funds withheld, trusts and letters of credit) as security under the reinsurance agreements.

INFORMATION TECHNOLOGY REPORT

INS Services, Inc. performed an evaluation of the information technology and computer systems of the Company. Results of the evaluation were noted in the Information Technology Report provided to the Company.

STATUTORY DEPOSITS

The following securities were deposited with the State of Florida as required by Section 624.411, Florida Statutes and with various regulators as required or permitted by law:

State	Description	Par Value	Market Value
FL		<u>\$ 2,992,385</u>	<u>\$ 3,094,917</u>
TOTAL FLORIDA DEPOSITS		<u>\$ 2,992,385</u>	<u>\$ 3,094,917</u>
AR		\$ 205,200	\$ 208,315
GA		2,344,568	2,375,208
IN		75,547	75,547
MA		124,059	135,141
MS		400,123	395,580
NV		200,000	197,860
NH		277,893	302,716
NM		368,606	381,202
NC		626,607	622,862
OR		278,886	303,798
SC		250,212	248,790
VA		228,269	248,660
GU		50,000	50,000
PR		1,000,344	986,020
VI		498,782	497,561
CAN		<u>214,422,579</u>	<u>216,802,678</u>
TOTAL OTHER DEPOSITS		<u>\$ 221,351,675</u>	<u>\$ 223,831,938</u>
TOTAL SPECIAL DEPOSITS		\$ 224,344,060	\$ 226,926,855

FINANCIAL STATEMENTS

The examination does not attest to the fair presentation of the financial statements included herein. If an adjustment is identified during the course of the examination, the impact of such adjustment will be documented separately following the Company's financial statements. Financial statements, as reported and filed by the Company with the Office, are reflected on the following pages.

American Bankers Insurance Company of Florida

Assets

December 31, 2017

	Per Company	Examination Adjustments	Per Examination
Bonds	\$1,186,032,393		\$1,186,032,393
Stocks:			
Preferred stocks	51,619,995		51,619,995
Common stocks	13,495,418		13,495,418
Mortgage loans on real estate:			
First liens	63,372,278		63,372,278
Real Estate:			
Properties occupied by the Company	2,614,638		2,614,638
Cash, cash equivalents and short- term investments	233,533,810		233,533,810
Other invested assets	111,092,501		111,092,501
Receivables for securities	6,394,061		6,394,061
Investment income due and accrued	11,596,933		11,596,933
Premiums and considerations:			
Uncollected premium and agents' balances in the course of collection	78,683,701		78,683,701
Deferred premiums and agents' balances and installments booked but deferred and not yet due	155,185,075		155,185,075
Reinsurance:			
Amounts recoverable from reinsurers	76,232,139		76,232,139
Funds held by or deposited with reinsured companies	85,497,353		85,497,353
Current federal and foreign income tax recoverable and interest thereon	1,288,102		1,288,102
Net deferred tax asset	69,661,917		69,661,917
Guaranty funds receivable or on deposit	112,658		112,658
Electronic data processing equipment and software	81,540		81,540
Receivable from parents, subsidiaries and affiliates	203,095,457		203,095,457
Aggregate write-in for other than invested assets	3,779,509		3,779,509
Totals	\$2,353,369,478	\$0	\$2,353,369,478

American Bankers Insurance Company of Florida
Liabilities, Surplus and Other Funds
December 31, 2017

	Per Company	Examination Adjustments	Per Examination
Losses	\$156,640,047		\$156,640,047
Reinsurance payable on paid losses and loss adjustment expenses	8,819,366		8,819,366
Loss adjustment expenses	15,168,241		15,168,241
Commissions payable, contingent commissions and other similar charges	60,624,744		60,624,744
Other expenses	26,381,176		26,381,176
Taxes, licenses and fees	7,230,036		7,230,036
Current federal and foreign income taxes	119,152		119,152
Unearned premiums	854,274,492		854,274,492
Ceded reinsurance premiums payable	113,600,979		113,600,979
Funds held by company under reinsurance treaties	145,945,215		145,945,215
Amounts withheld or retained by company for account of others	1,370,100		1,370,100
Remittances and items not allocated	165,630		165,630
Provision for reinsurance	15,851,717		15,851,717
Payable to parent, subsidiaries and affiliates	53,119,622		53,119,622
Derivatives	1,009,254		1,009,254
Payable for securities	3,097,273		3,097,273
Aggregate write-ins for liabilities	328,178,712		328,178,712
Total Liabilities	<u>\$1,791,595,756</u>		<u>\$1,791,595,756</u>
Aggregate write-ins for special surplus funds	5,083,164		5,083,164
Gross paid in and contributed surplus	222,826,791		222,826,791
Unassigned funds (surplus)	333,863,767		333,863,767
Surplus as regards policyholders	<u>\$561,773,722</u>		<u>\$561,773,722</u>
Total liabilities, surplus and other funds	\$2,353,369,478		\$2,353,369,478

American Bankers Insurance Company of Florida
Statement of Income

December 31, 2017

Underwriting Income		
Premiums earned		\$958,436,677
	Deductions:	
Losses incurred		\$425,438,813
Loss adjustment expenses incurred		41,720,475
Other underwriting expenses incurred		357,319,461
Aggregate write-ins for underwriting deductions		0
Total underwriting deductions		<u>\$824,478,749</u>
Net underwriting gain		\$133,957,928
Investment Income		
Net investment income earned		\$57,997,957
Net realized capital gains		2,218
Net investment gain		<u>\$58,000,175</u>
Other Income		
Net gain from agents' or premium balances charged off		\$475,821
Finance and service charges not included in premiums		31,652,321
Aggregate write-ins for miscellaneous income		2,676,755
Total other income		<u>\$34,804,897</u>
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes		\$226,763,000
Dividends to policyholders		<u>0</u>
Net income after dividends to policyholders, after capital gains tax before federal and foreign income taxes		\$226,763,000
Federal and foreign income taxes		<u>85,228,307</u>
Net Income		<u><u>\$141,534,693</u></u>
Capital and Surplus Account		
Surplus as regards policyholders, December 31 prior year		\$528,529,019
Net Income		141,534,693
Change in net unrealized capital gains less capital gains tax of \$645,427		2,004,609
Change in net unrealized foreign exchange capital gain		5,269,242
Change in deferred income tax		(40,751,801)
Change in nonadmitted assets		22,199,017
Change in provision for reinsurance		(7,011,057)
Dividends to policyholders		(90,000,000)
Change in surplus as regards policyholders for the year		<u>\$33,244,703</u>
Surplus as regards policyholders, December 31 current year		<u><u>\$561,773,722</u></u>

American Bankers Insurance Company of Florida
Reconciliation of Capital and Surplus
December 31, 2017

Surplus as regards policyholders

December 31, 2013 per Examination			\$542,116,674
	Gain in Surplus	Loss in Surplus	
Net Income (loss)	\$573,913,425		
Net transfers (to) from Protected Cell accounts			
Change in net unrealized capital gain (loss)	\$4,795,812		
Change in net unrealized foreign exchange capital gain (loss)		\$17,491,216	
Change in net deferred income tax		\$31,813,799	
Change in non-admitted assets	\$9,576,264		
Change in provision for reinsurance		\$8,323,438	
Change in surplus notes			
Surplus (contributed to) withdrawn from protected cells			
Cumulative effect of changes in accounting principles			
Change in paid in capital			
Change in paid in surplus			
Transferred from surplus (stock dividend)			
Transferred to surplus			
Net remittances from or (to) Home Office			
Dividends to stockholders		\$511,000,000	
Change in treasury stock			
Aggregate write-ins for gains and losses in surplus			
Rounding			
Total Gains and Losses	<u>\$588,285,501</u>	<u>\$568,628,453</u>	
Net Increase/(Decrease) in surplus as regards policyholders			<u>\$19,657,048</u>
Surplus as regards policyholders			
December 31, 2017 per Examination			<u><u>\$561,773,722</u></u>

COMMENTS ON FINANCIAL STATEMENT ITEMS

Liabilities

Losses and Loss Adjustment Expenses

Jeffrey A. Lamy, ACAS, Chief Actuary, appointed by the Board, rendered an opinion that the amounts carried in the balance sheet as of December 31, 2017, made a reasonable provision for all unpaid loss and loss expense obligations of the Company under the terms of its policies and agreements.

The Delaware Department of Insurance consulting actuary, David J. Macesic, ACAS, MAAA, Vice President and Chief Property/Casualty Actuary, of INS Consultants Inc., reviewed the loss and loss adjustment expense work papers provided by the Company, and he was in concurrence with this opinion.

Capital and Surplus

The amount of capital and surplus reported by the Company of \$561,773,722, exceeded the minimum of \$100,000,000 required by Section 624.408, Florida Statutes.

SUBSEQUENT EVENTS

On October 17, 2017, Assurant, Inc. entered into an Agreement and Plan of Merger (the “Original Merger Agreement”), with TWG Holdings Limited, a Bermuda limited company and portfolio company of TPG Capital (“TWG Holdings,” and together with its subsidiaries, including The Warranty Group, “TWG”), TWG Re, Ltd., a corporation incorporated in the Cayman Islands (“TWG Re”), and Arbor Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of TWG Holdings (“TWG Merger Sub”). Under the terms of the Original Merger Agreement and subject to the satisfaction or waiver of the conditions therein, Assurant, Inc. and TWG would have combined their businesses through a transaction in which TWG Merger Sub would have merged with and into Assurant, Inc., with Assurant, Inc. continuing as the surviving corporation and a wholly owned subsidiary of TWG Holdings.

On January 8, 2018, Assurant, Inc. entered into an Amended and Restated Agreement and Plan of Merger (the “A&R Merger Agreement”) with TWG Holdings, TWG Re, TWG Merger Sub and Spartan Merger Sub, Ltd., a Bermuda exempted limited company and direct wholly owned subsidiary of Assurant, Inc. (“Merger Sub”), which amended and restated the Original Merger Agreement in its entirety. Under the terms of the A&R Merger Agreement and subject to the satisfaction or waiver of the conditions therein, in lieu of the transactions contemplated by the Original Merger Agreement, Assurant, Inc. would acquire TWG Holdings through a transaction in which Merger Sub would merge with and into TWG Holdings, with TWG Holdings continuing as the surviving corporation and a wholly owned subsidiary of Assurant, Inc.

On May 31, 2018, pursuant to the terms of the A&R Merger Agreement, Assurant, Inc. completed its the acquisition of TWG from TPG Capital for a total enterprise value of approximately \$2.5 billion.

SUMMARY OF RECOMMENDATIONS

We recommend the Company comply with Section 628.261, Florida Statutes.

CONCLUSION

The insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of **American Bankers Insurance Company of Florida** as of December 31, 2017, consistent with the insurance laws of the State of Florida.

Per examination annual financial statements, the Company's surplus as regards to policyholders was \$561,773,722, which exceeded the minimum of \$100,000,000 required by Section 624.408, Florida Statutes.

In addition to the undersigned, the following also participated in the examination:

Robin Brown, CFE	Examiner-in-Charge	Carr, Riggs & Ingram
Marie Stuhlmuller	Examination Manager	Office
Casey Hengstebeck	Participating Examiner	Office
Dale Miller, CFE, CPA	Participating Examiner	Carr, Riggs & Ingram
Sharon Stuber, CPA	Participating Examiner	Carr, Riggs, & Ingram
Dave Gordon, CISA, CIA, CFE, MBA	IT Specialist	INS Services, Inc.
Paul Berkebile, CISA, CRISC, CFSA	IT Specialist	INS Services, Inc.
David J. Macesic, ACAS, MAAA	Actuary	INS Consultants, Inc.

Respectfully submitted,



Brian Sewell, CFE, MCM
Chief Examiner
Florida Office of Insurance Regulation