

JUN 24 2022

FILED

CERTIFICATION

June 24, 2022

I, Eric Dunning, Director of Insurance of the State of Nebraska, do hereby certify that the attached is a full and correct copy of the Financial Examination Report of

BERKSHIRE HATHAWAY DIRECT INSURANCE COMPANY

AS OF

DECEMBER 31, 2020

The report is now on file and forming a part of the records of this Department.

I hereto subscribe my name under the seal of my office at Lincoln, Nebraska.





DIRECTOR OF INSURANCE

CERTIFICATE OF ADOPTION

Notice of the proposed report for the financial examination of

BERKSHIRE HATHAWAY DIRECT INSURANCE COMPANY

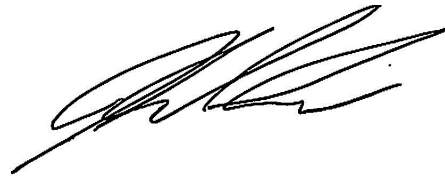
1314 DOUGLAS STREET, SUITE 1400

OMAHA, NEBRASKA 68102

dated as of December 31, 2020, verified under oath by the examiner-in-charge on
June 1, 2022, and received by the company on June 3, 2022, has been adopted
without modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 14th day of June 2022.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

A handwritten signature in black ink, appearing to read 'Justin C. Schrader', written in a cursive style.

Justin C. Schrader, CFE
Chief Financial Examiner

STATE OF NEBRASKA

Department of Insurance

EXAMINATION REPORT

OF

BERKSHIRE HATHAWAY DIRECT INSURANCE COMPANY

as of

December 31, 2020



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Lincoln, Nebraska
May 25, 2022

Honorable Eric Dunning
Director of Insurance
Nebraska Department of Insurance
1526 K Street, Suite 200
Lincoln, Nebraska 68508

Dear Sir:

Pursuant to your instruction and authorizations, and in accordance with statutory requirements, an examination has been conducted of the financial condition and business affairs of:

BERKSHIRE HATHAWAY DIRECT INSURANCE COMPANY
1314 Douglas Street, Suite 1400
Omaha, Nebraska 68102

(hereinafter also referred to as the “Company”), and the report of such examination is respectfully presented herein.

INTRODUCTION

The State of Nebraska last examined the Company as of December 31, 2016. The current financial condition examination covers the intervening period to, and includes the close of business on December 31, 2020 and such subsequent events and transactions as were considered pertinent to this report. The States of Nebraska, California, Colorado, Connecticut, Iowa, and New York participated in this examination and assisted in the preparation of this report.

The same examination staff conducted concurrent financial condition examinations of the Company’s following affiliates:

Berkshire Hathaway Homestate Insurance Company (BHHIC)
Berkshire Hathaway Life Insurance Company of Nebraska (BHLN)
Berkshire Hathaway Specialty Insurance Company (BHSIC)
BHG Life Insurance Company (BHGL)
Brookwood Insurance Company (BIC)

Columbia Insurance Company (CIC)
Continental Divide Insurance Company (CDIC)
Cypress Insurance Company (Cypress)
First Berkshire Hathaway Life Insurance Company (FBHL)
National Fire & Marine Insurance Company (NFM)
National Indemnity Company (NICO)
National Indemnity Company of Mid-America (NIMA)
National Indemnity Company of the South (NISO)
National Liability & Fire Insurance Company (NLF)
Oak River Insurance Company (ORIC)
Redwood Fire and Casualty Insurance Company (RFC)

SCOPE OF EXAMINATION

The examination was conducted pursuant to and in accordance with both the NAIC Financial Condition Examiners Handbook (Handbook) and Section §44-5904(1) of the Nebraska Insurance Statutes. The Handbook requires that examiners plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company, including but not limited to: corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks. The examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and management's compliance with Statutory Accounting Principles and Annual Statement Instructions when applicable to domestic state regulations.

The examination was completed under coordination of the holding company group approach with the Nebraska Department of Insurance as the coordinating state and the California Department of Insurance, Colorado Division of Insurance, State of Connecticut Insurance Department, Iowa Insurance Division, and New York Department of Financial Services. The companies examined under this approach benefit to a large degree from common management,

systems and processes, and internal control and risk management functions that are administered at the consolidated or business unit level.

The coordinated examination applies procedures sufficient to comprise a full scope financial examination of each of the companies in accordance with the examination procedures and standards promulgated by the NAIC and by the respective state insurance departments where the companies are domiciled. The objective is to enable each domestic state to report on their respective companies' financial condition and to summarize key results of examination procedures.

The Nebraska Department of Insurance made a general review of the Company's operations and the manner in which its business has been conducted in order to determine compliance with statutory and charter provisions. The Company's history was traced and has been set out in this report under the caption "Description of Company." All items pertaining to management and control were reviewed, including provisions for disclosure of conflicts of interest to the Board of Directors and the departmental organization of the Company. The Articles of Incorporation and By-Laws were reviewed, including appropriate filings of any changes or amendments thereto. The minutes of the meetings of the Shareholder, Board of Directors, and committees held during the examination period were read and noted. Attendance at meetings, proxy information, election of Directors and Officers, and approval of investment transactions were also noted.

The fidelity bond and other insurance coverages protecting the Company's property and interests were reviewed. Certificates of Authority to conduct the business of insurance in the various states were inspected, and a survey was made of the Company's general plan of operation.

Data reflecting the Company's growth during the period under review, as developed from the Company's filed annual statements, is reflected in the financial section of this report under the caption "Body of Report."

The Company's reinsurance facilities were ascertained and noted and have been commented upon in this report under the caption "Reinsurance." Accounting records and procedures were tested to the extent deemed necessary through the risk-focused examination process. The Company's method of claims handling and procedures pertaining to the adjustment and payment of incurred losses were also noted.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This included a review of workpapers prepared by Deloitte & Touche LLP, the Company's external auditors, during their audit of the Company's accounts for the year ended December 31, 2020. Portions of the auditor's workpapers have been incorporated into the workpapers of the examiners and have been utilized in determining the scope and areas of emphasis in conducting the examination. This utilization was performed pursuant to Title 210 (Rules of the Nebraska Department of Insurance), Chapter 56, Section 013.

Any failure of items to add to the totals shown in schedules and exhibits appearing throughout this report is due to rounding.

DESCRIPTION OF COMPANY

HISTORY

The Company was incorporated in 1970 under the name American Centennial Insurance Company (ACIC) for the purpose of underwriting primary and excess liability insurance for many large, national and international chemical, manufacturing and pharmaceutical companies, as well as for the purpose of underwriting facultative and treaty reinsurance for the same types of

risks. On May 22, 1987, ACIC became a subsidiary of First Delaware Holdings, Inc., which changed its name in 1996 to Consolidated International Group, Inc. (CIG). On August 16, 1999, the Delaware Insurance Department approved the application of White Mountains Insurance Group, Inc. (White Mountains) to acquire control of ACIC through the cash purchase of all outstanding shares of ACIC's parent, CIG. On October 30, 2008, ACIC and its parent company became subsidiaries of Railsplitter Holdings Corporation, still a wholly-owned subsidiary of the White Mountains Group. On October 31, 2008, Railsplitter Holdings Corporation and its subsidiaries, including ACIC, became subsidiaries of Berkshire Hathaway Inc. (BHI) pursuant to an Exchange Agreement between BHI, White Mountains Insurance Group, Ltd. and others.

The Company's parent company as of December 31, 2013, International American Group Inc. (IAG), adopted an agreement and plan of liquidation as of December 31, 2014 and conveyed the shares of the Company's common stock to Railsplitter Holdings Corporation, its sole Shareholder, in a liquidating distribution.

Effective May 18, 2015, the Company changed its state of domicile from Delaware to Nebraska. The Company amended its Articles of Incorporation, effective May 19, 2015, to change the name of the Company from "American Centennial Insurance Company" to "Berkshire Hathaway Direct Insurance Company."

On May 28, 2015, Railsplitter Holdings Corporation sold all of the common shares of ACIC to CIC, a wholly-owned indirect subsidiary of BHI, for consideration of \$12,540,785, the Company's deemed fair market value, which approximated statutory policyholders' surplus at March 31, 2015.

MANAGEMENT AND CONTROL

Holding Company

The Company is a member of an insurance holding company system as defined by Nebraska Statute. An organizational listing flowing from the “Ultimate Controlling Person,” BHI, as reported in the 2020 Annual Statement, is attached to this report as an addendum.

Shareholder

Article II of the Company’s Articles of Incorporation state that, “the total number of shares of stock which the Corporation shall have the authority to issue is thirty thousand (30,000) shares of par value \$200.00 each, all of one class.”

As of December 31, 2020, Company records indicate that 30,000 shares of common stock were issued and outstanding, which are 100% owned by CIC.

There were no changes made to common capital stock during the years under review. Gross paid-in and contributed surplus remained unchanged during the examination period at \$162,986,752. The Company did not pay any cash dividends during the examination period.

Per Article I, Section 3 of the Company’s By-Laws, “the annual Shareholders’ meeting shall be held at a time and on a date set by the President of the Company, during the first five months of the calendar year and at a place within or without its state of domicile.”

Board of Directors

Article I, Section 3 of the Company’s By-Laws states that, “...the Shareholders shall elect a Board of Directors consisting of not less than five (5) nor more than nine (9) members who shall hold office for one year or until their successors are elected and qualified.”

The following persons were serving as Directors at December 31, 2020:

<u>Name and Residence</u>	<u>Principal Occupation</u>
Bruce John Byrnes New City, New York	Vice President, National Indemnity Company
Dale David Geistkemper Omaha, Nebraska	Treasurer and Controller, National Indemnity Company
Kevin Donald Lewis Westport, Connecticut	Vice President, National Indemnity Company
Peter Michael Shelley Darien, Connecticut	Vice President, National Indemnity Company
Brian Gerard Snover Stamford Connecticut	Senior Vice President, National Indemnity Company

No fees or expenses were paid to the Directors during the period under review.

Officers

Article III of the Company's By-Laws provides that, "the Officers of the Corporation shall be the President, one or more Vice Presidents, one or more Assistant Vice Presidents, a Secretary, one or more Assistant Secretaries, a Treasurer, and such other Officers as may be appointed in accordance with the provisions of this Article III."

The following is a listing of Officers elected and serving the Company at December 31, 2020:

<u>Name</u>	<u>Office</u>
Brian G. Snover	Chairman of the Board and Vice President
Peter M. Shelley	President
Bruce J. Byrnes	Vice President and Secretary
Dale D. Geistkemper	Treasurer
Ateet A. Dhru	Vice President
Brian P. Hall	Vice President
Ty J. Reil	Vice President
Brad E. Rosen	Vice President
David J. Stanard	Vice President

<u>Name</u>	<u>Office</u>
Donald F. Wurster	Vice President
Rodney L. Rathbun	Assistant Vice President
Connor B. Dillard	Assistant Secretary
Melissa G. Hough	Assistant Secretary
Janelle K. Kay	Assistant Secretary
Susan M. Kreski	Assistant Secretary
Mark D. Millard	Assistant Secretary
Brennan S. Neville	Assistant Secretary
Sarah E. Starkey	Assistant Secretary
Ari Walfish	Assistant Secretary
Adam M. Pevamik	Assistant Secretary
Philip J. Hansen	Assistant Treasurer
Shane W. Tomlinson	Assistant Controller
Zachary R. Royse	Assistant Controller

Committees

Article II, Section 9 of the Company’s By-Laws provides that, “the Board of Directors shall designate from its own number an Executive Committee, and Investment Review Committee, and such other committees as in their sole discretion they shall deem necessary and appropriate. To the extent authorized by the Board of Directors, such committees shall have and may exercise all authority of the Board of Directors except as otherwise provided by law.”

The following persons were serving on the Executive Committee at December 31, 2020:

Peter Michael Shelley Brian Gerard Snover

The following persons were serving on the Investment Review Committee at December 31, 2020:

Dale David Geistkemper Brian Gerard Snover

The following persons were serving on the Audit Committee at December 31, 2020:

Bruce John Byrnes Brian Gerard Snover

TRANSACTIONS WITH AFFILIATES

Intercompany Service Agreements

On January 20, 2009, while operating under the ACIC name, the Company entered into a services agreement with NLF and NICO whereby NLF and NICO perform certain administrative and special services for the Company, effective November 1, 2008.

On June 8, 2015, while the Company was operating under the ACIC name, it entered into three similar service agreements with NICO, NLF, and Resolute Management Inc. (RMI). All three were effective June 5, 2015 and established that the Company would receive services from NICO, NLF, and RMI, including accounting, tax, claims, and information technology and support services. The agreement with RMI was amended December 21, 2018 to accurately reflect the Company's name change and to allow RMI to adjust and pay claims regardless of when such business was written.

On July 6, 2015, the Company and WestGUARD Insurance Company (WestGuard) entered into an agreement for WestGuard to provide underwriting support, administrative, and claim handling services. The agreement was effective June 1, 2015 and was subsequently amended on October 1, 2016 and again on July 1, 2018 to adjust WestGuard's compensation rate.

Effective May 4, 2017, the Company, along with thirteen other Nebraska domiciled insurers, entered into an Intercompany Tax Services Agreement with Ringwalt & Liesche Co. (R&L). The Company receives certain tax advisory and completion services from R&L.

Effective October 10, 2017, the Company entered into a service agreement with NICO and General Reinsurance Corporation (Gen Re), whereby the Company receives certain internal audit services provided by either NICO or Gen Re.

Effective April 1, 2019, the Company entered into a reciprocal services agreement with NLF, whereby both companies perform underwriting, claims, and support services for each other.

Effective April 1, 2019, the Company entered into two services agreements with Wellfleet Insurance Company and Wellfleet New York Insurance Company, whereby the Company provides underwriting, reporting, and ancillary support services to each company.

On December 19, 2019 the Company entered into an agreement with Government Employees Insurance Company (GEICO), whereby GEICO provides services to the Company in support of the THREE program, effective January 1, 2020.

Intercompany Investment Agreements

On December 17, 2008, while the Company was operating under the ACIC name, it entered into an investment service agreement with NICO, effective November 1, 2008. NICO is deemed the “manager” in this agreement and renders investment management services to the Company. The manager has extensive experience in the management of investment portfolios and strives to achieve certain operating economies and improve services to benefit all parties in the agreement.

Effective December 18, 2015, the Company became a participant in an investment service agreement with BHI, whereby BHI performs various investment services for the Company.

Consolidated Federal Income Tax Allocation Agreement

On June 8, 2015, while operating under the ACIC name, the Company joined with a group of approximately eight hundred affiliated companies in the filing of a consolidated federal income tax return by BHI. The consolidated tax liability is allocated among the affiliates in the

ratio that each affiliate's separate return tax liability bears to the sum of the separate return liabilities.

TERRITORY AND PLAN OF OPERATION

As evidenced by current or continuous Certificates of Authority, the Company is licensed to transact business in all states, the District of Columbia, and the U.S. Virgin Islands.

After being in run-off since 1985 for its direct business, the Company resumed issuing insurance policies during the first quarter of 2016. The Company is engaged in the property-liability insurance business. Three main types of policies issued by the Company include Workers' Compensation, Commercial Multiple Peril, and Commercial Auto Liability, with the majority of the premium being derived from Workers' Compensation.

REINSURANCE

Ceded

Effective December 1, 2015, the Company and NICO entered into a continuous quota share reinsurance agreement applicable to all lines of insurance and reinsurance written by the Company on or after June 1, 2015. The Company pays NICO 90% of the subject net written premium, and NICO reimburses the Company for 90% of the net loss and loss adjustment expenses sustained by the Company.

General

All contracts reviewed contained standard insolvency, arbitration, errors and omissions, and termination clauses where applicable. All contracts contained the clauses necessary to assure reinsurance credits could be taken.

BODY OF REPORT

GROWTH

The following comparative data reflects the growth of the Company during the period covered by this examination:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Bonds	\$ 5,211,141	\$ 5,499,561	\$ 5,368,233	\$ 5,351,099
Admitted assets	151,810,214	145,583,715	173,885,488	218,424,078
Losses	347,893	998,932	2,574,893	6,990,130
Total liabilities	16,021,304	14,629,151	31,727,501	79,336,411
Capital and surplus	135,788,910	130,954,563	142,157,988	139,087,667
Premiums earned	450,750	1,181,477	2,728,241	6,688,074
Net investment income	1,955,065	2,278,702	2,421,421	1,795,768
Losses incurred	329,306	788,251	2,104,136	5,916,903
Net income	2,058,799	(846,408)	(7,075,193)	(5,390,562)

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the State of Nebraska Department of Insurance and present the financial condition of the Company for the period ending December 31, 2020. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statements and should be considered an integral part of the financial statements. A reconciliation of the capital and surplus account for the period under review is also included.

FINANCIAL STATEMENT
December 31, 2020

<u>Assets</u>	<u>Assets</u>	<u>Assets Not Admitted</u>	<u>Net Admitted Assets</u>
Bonds	\$ 5,351,099		\$ 5,351,099
Common stocks	109,073,130		109,073,130
Properties held for sale	16,364	\$ 16,364	
Cash	<u>26,462,589</u>	<u> </u>	<u>26,462,589</u>
Subtotal, cash and invested assets	\$140,903,182	\$ 16,364	\$140,886,818
Investment income due and accrued	37,236		37,236
Uncollected premiums	45,210,502	830,004	44,380,498
Deferred premiums	1,263,001	10,909	1,252,092
Amounts recoverable from reinsurers	9,317,072		9,317,072
Federal income tax recoverable	567,769		567,769
Electronic data processing equipment	10,977,064	6,954,748	4,022,316
Furniture and equipment	137,244	137,244	
Receivables from parent and affiliates	17,960,277		17,960,277
Other assets	<u>892,482</u>	<u>892,482</u>	<u> </u>
Totals	<u>\$227,265,829</u>	<u>\$8,841,751</u>	<u>\$218,424,078</u>

Liabilities, Surplus, and Other Funds

Losses	\$ 6,990,130
Reinsurance payable	65,725
Loss adjustment expense	3,603,228
Other expenses	9,974,993
Taxes, licenses and fees	1,355,753
Net deferred tax liability	12,624,213
Unearned premiums	5,650,334
Advance premium	137,225
Ceded reinsurance premium payable	32,495,207
Amounts withheld or retained for account of others	674,411
Drafts outstanding	521,249
Payable to parent, subsidiaries and affiliates	4,363,734
Miscellaneous payable	<u>880,209</u>
Total liabilities	<u>\$ 79,336,411</u>
Common capital stock	\$ 6,000,000
Gross paid in and contributed surplus	162,986,752
Surplus	<u>(29,899,085)</u>
Total capital and surplus	<u>\$139,087,667</u>
Totals	<u>\$218,424,078</u>

STATEMENT OF INCOME – 2020

Underwriting Income

Premiums earned	\$ 6,688,074
Losses incurred	\$ 5,916,903
Loss adjustment expenses incurred	1,678,051
Other underwriting expenses incurred	<u>8,974,798</u>
Total underwriting deductions	<u>\$ 16,569,752</u>
Net underwriting gain	<u>\$ (9,881,678)</u>

Investment Income

Net investment income earned	<u>\$ 1,795,768</u>
------------------------------	---------------------

Other Income

Net loss from agents' or premium balances charged off	\$ (2,154,046)
Miscellaneous expense	<u>(403,775)</u>
Total other income	<u>\$ (2,557,821)</u>
Net loss before federal income taxes	\$(10,643,731)
Federal income taxes incurred	<u>(5,253,169)</u>
Net income	<u>\$ (5,390,562)</u>

CAPITAL AND SURPLUS ACCOUNT

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Capital and surplus, beginning	<u>\$117,713,969</u>	<u>\$135,788,912</u>	<u>\$130,954,563</u>	<u>\$142,157,988</u>
Net income	\$ 2,058,799	\$ (846,408)	\$ (7,075,193)	\$ (5,390,562)
Change in net unrealized capital gains	16,011,738	(4,639,133)	15,566,768	11,818,901
Change in net deferred income tax	12,275	651,874	3,184,631	(1,156,449)
Change in nonadmitted assets	<u>(7,869)</u>	<u>(682)</u>	<u>(472,781)</u>	<u>(8,342,211)</u>
Net change for the year	<u>\$ 18,074,943</u>	<u>\$ (4,834,348)</u>	<u>\$ 11,203,425</u>	<u>\$ (3,070,321)</u>
Capital and surplus, ending	<u>\$135,788,912</u>	<u>\$130,954,563</u>	<u>\$142,157,988</u>	<u>\$139,087,667</u>

EXAMINATION CHANGES IN FINANCIAL STATEMENTS

Unassigned funds (surplus) in the amount of \$(29,899,085), as reported in the Company's 2020 Annual Statement, has been accepted for examination purposes. Examination findings, in the aggregate, were considered to have no material effect on the Company's financial condition.

COMPLIANCE WITH PREVIOUS RECOMMENDATIONS

No recommendations were made as a result of the previous examination.

COMMENTARY ON CURRENT EXAMINATION FINDINGS

Intercompany Transactions

The exam team noted that New England Asset Management (NEAM) provides investment services to BHI pursuant to an investment services agreement effective October 1, 2013. BHI, in turn, provides investment services to the Company pursuant to the December 18, 2015 agreement. The Company does not have an agreement with NEAM but receives bills and settles directly with the service provider.

SSAP No. 25(8) states, "transactions between related parties must be in the form of a written agreement. The written agreement must provide for the timely settlement of amounts owed, with a specified due date." The settlement transactions occurring between the Company and NEAM are not subject to an agreement. In addition, Nebraska Insurance Statute §44-2133(2)(d) states that service contract transactions involving a domestic insurer and any person in its insurance holding company system may not be entered into unless the insurer has notified the Director in writing of its intention to enter into such transaction.

During the examination, the Company responded that NEAM will bill BHI subject to the 2013 investment services agreement. Then, BHI will bill the Company for the services provided by NEAM.

It is recommended that the Company proceed with its plan to adjust the settlement process in order to be compliant with the existing investment services agreement or enter into an investment services agreement directly with NEAM that includes settlement provisions in order to be compliant with SSAP No. 25(8) and Nebraska Insurance Statute §44-2133(2)(d).

SUMMARY OF COMMENTS AND RECOMMENDATIONS

The following comments and recommendations have been made as a result of this examination:

Intercompany Transactions - It is recommended that the Company proceed with its plan to adjust the settlement process in order to be compliant with the existing investment services agreement or enter into an investment services agreement directly with NEAM that includes settlement provisions in order to be compliant with SSAP No. 25(8) and Nebraska Insurance Statute §44-2133(2)(d).

ACKNOWLEDGMENT

The courteous cooperation extended by the Officers and employees of the Company during this examination is hereby acknowledged.

In addition to the undersigned, Brian Davis, CFE, Santosh Ghimire, CFE, Joe Jacobson, CFE, Skyler Lawyer, CFE, and Michael Sullivan, CFE, Financial Examiners; Gary Evans, CFE, CISA, Information Systems Specialist; and Gordon Hay, FCAS, MAAA; all with the Nebraska Department of Insurance and Financial Examiners, Information Systems Specialists, and Actuarial Examiners with or contracted by the California Department of Insurance, Colorado Division of Insurance, State of Connecticut Insurance Department, Iowa Insurance Division, and New York Department of Financial Services; participated in this examination and assisted in the preparation of this report.

Respectfully submitted,



Isaak Russell, CFE
Supervisory Examiner
Department of Insurance
State of Nebraska

ADDENDUM

ORGANIZATIONAL CHART

Note: The following chart includes all affiliates related to insurance operations. Affiliates of selected non-insurance operations have been omitted. The omissions are replaced with the phrase “and owned affiliate(s).”

Berkshire Hathaway Inc. (31.84654% owned by Warren E. Buffett)

Acme Building Brands, Inc. and owned affiliates

Affordable Housing Partners, Inc. and owned affiliates

Albecca Inc. and owned affiliates

Ben Bridge Corporation and owned affiliate

Benjamin Moore & Co. and owned affiliates

Berkshire Hathaway Automotive Inc. and owned affiliates

Berkshire Hathaway Credit Corporation and owned affiliates

Berkshire Hathaway Energy Company and owned affiliates

Berkshire Hathaway Finance Corporation

BH Columbia Inc.

Columbia Insurance Company

American All Risk Insurance Services, Inc.

American Commercial Claims Administrators Inc.

Berkadia Commercial Mortgage Holding LLC and owned affiliate

Berkadia Commercial Mortgage Partners LLC

Berkshire Hathaway Assurance Corporation

Berkshire Hathaway Direct Insurance Company

BH Finance LLC

BHG Structured Settlements, Inc. and owned affiliates

BIFCO, LLC

British Insurance Company of Cayman

Farnam Management Services, LLC

Hawthorn Life International, Ltd. and owned affiliate

MedPro Group Inc.

AttPro RRG Reciprocal Risk Retention Group

Medical Protective Finance Corporation

MedPro Risk Retention Services, Inc.

MedPro RRG Risk Retention Group

PLICO, Inc.

Princeton Insurance Company

The Medical Protective Company

C&R Insurance Services, LLC

C&R Legal Insurance Agency, LLC

MedPro Insurance Services, LLC

Somerset Services, LLC

Wellfleet Benefits, LLC

Wellfleet Group, LLC

Wellfleet Insurance Company
Wellfleet New York Insurance Company
Nederlandse Reassurantie Groep N.V. and owned affiliates
NetJets IP, LLC
Resolute Management Inc.
Ringwalt & Liesche Co. and owned affiliates
The Duracell Company and owned affiliates
BH Holding H Jewelry Inc. and owned affiliate
BH Holding S Furniture Inc.
BH Housing LLC
BH Shoe Holdings, Inc. and owned affiliates
BHSF, Inc. and owned affiliates
Blue Chip Stamps, Inc.
Borsheim Jewelry Company, Inc.
Brooks Sports, Inc. and owned affiliates
Business Wire, Inc. and owned affiliates
Central States of Omaha Companies, Inc.
 Central States Indemnity Co. of Omaha
 CSI Life Insurance Company
 CSI Processing, LLC
Charter Brokerage Holdings Corp. and owned affiliates
Clayton Homes, Inc. and owned affiliates
CORT Business Services Corporation and owned affiliates
CTB International Corp. and owned affiliates
Detlev Louis Motorrad-Vertriebsgesellschaft GmbH and owned affiliates
Forest River, Inc. and owned affiliates
Fruit of the Loom, Inc. and owned affiliates
Gateway Underwriters Agency, Inc.
General Re Corporation
 Faraday Holdings Limited and owned affiliates
 Gen Re Intermediaries Corporation
 Gen Re Long Ridge, LLC
 General Reinsurance Corporation
 Elm Street Corporation
 Gen Re Japan Service Company Limited
 General Re Compania de Reaseguros, S.A.
 General Re Life Corporation
 Idealife Insurance Company
 General Reinsurance AG and owned affiliates
 General Reinsurance Australia Ltd
 General Star Indemnity Company
 General Star Management Company
 General Star National Insurance Company
 Genesis Insurance Company
 Genesis Management and Insurance Services Corporation
 GRC Realty Corporation

Railsplitter Holdings Corporation
New England Asset Management, Inc. and owned affiliate
GRD Holdings Corporation and owned affiliate
United States Aviation Underwriters, Inc. and owned affiliate
International Dairy Queen, Inc. and owned affiliates
Johns Manville Corporation and owned affiliates
Jordan's Furniture, Inc.
LiquidPower Specialty Products Inc. and owned affiliates
Marmon Holdings, Inc. and owned affiliates
McLane Company, Inc. and owned affiliates
MiTek Industries, Inc. and owned affiliates
MS Property Company and owned affiliate
National Fire & Marine Insurance Company
National Indemnity Company
 Affiliated Agency Operations Co. and owned affiliate
 AHP Housing Fund 184, LLC
 AHP Housing Fund 208, LLC
 AHP Housing Fund 219, LLC
 AHP Housing Fund 220, LLC and owned affiliate
 AHP Housing Fund 223, LLC
 AHP Housing Fund 245, LLC
 AHP Housing Fund 253, LLC
 AHP Housing Fund 254, LLC
 AHP Housing Fund 261, LLC
 BDT I-A Plum, LLC
 Berkshire Hathaway Homestate Insurance Company
 Berkshire Hathaway International Insurance Limited and owned affiliate
 Berkshire Hathaway Life Insurance Company of Nebraska
 BHA Real Estate Holdings, LLC
 BHG Life Insurance Company
 Financial Credit Investment III (Cayman), L.P.
 Financial Credit Investment III SPV-B (Cayman), L.P.
 First Berkshire Hathaway Life Insurance Company
 FlightSafety International Inc. and owned affiliates
 Garan, Incorporated and owned affiliates
 Berkshire Hathaway Specialty Insurance Company
 Berkshire Hathaway Global Insurance Services, LLC
 Berkshire Hathaway Specialty Services Limited
 British Aviation Insurance Company Limited
 Brookwood Insurance Company
 Burlington Northern Santa Fe, LLC and owned affiliates
 Continental Divide Insurance Company
 Cypress Insurance Company
 Douglas Building, LLC
 Finial Holdings, Inc.
 Finial Reinsurance Company

GEICO Corporation
Boat America Corporation
Boat Owners Association of the United States
Boat/U.S., Inc.
GEICO Marine Insurance Company
GEICO Advantage Insurance Company
GEICO Choice Insurance Company
GEICO County Mutual Insurance Company
GEICO Financial Services, Gmbh
GEICO Indemnity Company
Criterion Insurance Agency
GEICO Casualty Company
GEICO Products, Inc.
GEICO Secure Insurance Company
Government Employees Insurance Company
AHP Federal and State Affordable 1, LLC and owned affiliates
AHP State Affordable 1, LLC and owned affiliates
GEICO General Insurance Company
GEICO Insurance Agency, Inc.
Government Employees Financial Corporation
PIS QOZ Fund 2018-A, LP
Plaza Financial Services Company
International Insurance Underwriters, Inc.
Maryland Ventures, Inc.
Plaza Resources Company
Top Five Club, Inc.
MLMIC Insurance Company
M2 Liability Solutions, Inc.
MLMIC Services, Inc.
National Indemnity Company of Mid-America
National Indemnity Company of the South
Oak River Insurance Company
Redwood Fire and Casualty Insurance Company
SLI Holding Limited and owned affiliates
Tenecom Limited and owned affiliate
Transfercom Limited
VT Insurance Acquisition Sub Inc.
Van Enterprises, Inc.
MPP Co., Inc.
Old United Casualty Company
Old United Life Insurance Company
Vantage Reinsurance, LLC
WestGUARD Insurance Company
AmGUARD Insurance Company
AZGUARD Insurance Company
EastGUARD Insurance Company

GUARDco, Inc.
NorGUARD Insurance Company
National Liability & Fire Insurance Company
Nebraska Furniture Mart, Inc. and owned affiliates
NetJets Inc. and owned affiliates
Northern States Agency, Inc. and owned affiliates
OTC Worldwide Holdings, Inc. and owned affiliates
Precision Castparts Corp. and owned affiliates
Precision Steel Warehouse, Inc. and owned affiliate
R.C. Willey Home Furnishings
Richline Group, Inc. and owned affiliates
See's Candy Shops, Inc. and owned affiliate
Shaw Industries Group, Inc. and owned affiliates
The Fechheimer Brothers Company and owned affiliate
The Lubrizol Corporation and owned affiliates
The Pampered Chef, Ltd. and owned affiliates
TTI, Inc. and owned affiliates
U.S. Investment Corporation
 United States Liability Insurance Company
 Mount Vernon Fire Insurance Company
 U.S. Underwriters Insurance Company
 Mount Vernon Specialty Insurance Company
 Radnor Specialty Insurance Company
XTRA Corporation and owned affiliates

State of Nebraska,

County of Lancaster,

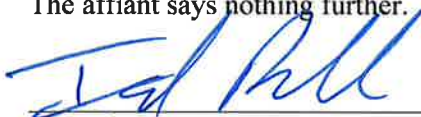
Isaak Russell being duly sworn, states as follows:

1. I have authority to represent the Department of Insurance of the State of Nebraska in the examination of the following insurance companies (hereinafter referred to as the "NICO Group"):
 - Berkshire Hathaway Direct Insurance Company
 - Berkshire Hathaway Life Insurance Company of Nebraska
 - Berkshire Hathaway Specialty Insurance Company
 - BHG Life Insurance Company
 - Columbia Insurance Company
 - National Fire & Marine Insurance Company
 - National Indemnity Company

2. The Department of Insurance of the State of Nebraska is accredited under the National Association of Insurance Commissioners Financial Regulation Standards and Accreditation.

3. I have reviewed the examination work papers and examination report, and the examination of the NICO Group was performed in a manner consistent with the standards and procedures required by the Department of Insurance of the State of Nebraska.

The affiant says nothing further.




 Supervisory Examiner's Signature

Subscribed and sworn before me by ISAIAK RUSSELL on this 1st day of June, 2022.



(SEAL)



 Notary Public

My commission expires 1/16/24 [date].