

AUG 31 2023

# CERTIFICATION

FILED

August 31, 2023

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

**GEICO PROTECTION INSURANCE COMPANY**

**AS OF**

**JULY 31, 2023**

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

**GEICO PROTECTION INSURANCE COMPANY**

**5260 WESTERN AVENUE**

**CHEVY CHASE, MD 20815**

dated as of July 31, 2023, verified under oath by the examiner-in-charge on July 31, 2023, and received by the company on August 31, 2023, has been adopted without modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 31<sup>st</sup> day of August 2023.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

A handwritten signature in black ink, appearing to read "L. Crawford".

Lindsay Crawford, CFE  
Chief Financial Regulator

**STATE OF NEBRASKA**

**Department of Insurance**

**QUALIFYING EXAMINATION**

**OF**

**GEICO Protection Insurance Company**

**as of**

**July 31, 2023**



Lincoln, Nebraska  
August 31<sup>st</sup>, 2023

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

Sir:

Pursuant to your instructions and statutory requirements, a qualifying examination has been made of the

**GEICO PROTECTION INSURANCE COMPANY**

which has its Statutory Home Office located at

**1314 Douglas Street, Suite 1400  
Omaha, NE 68102**

with its Principal Executive Office located at

**5260 Western Avenue  
Chevy Chase, MD 20815**

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

**SCOPE OF EXAMINATION**

The Company has made an application for a Certificate of Authority to transact the business of insurance as provided under Nebraska Revised Statute §44-201(5) Property, (7) Glass, (8) Burglary & Theft, (9) Boiler & Machinery, (10) Liability, (12) Vehicle, (18) Marine, and (20) Miscellaneous. In order to determine whether such

authority should be granted, this examination has been conducted to ascertain if the Company has met the capital, surplus, and organizational requirements set forth by Nebraska Law.

### **HISTORY**

The Articles of Incorporation of the Company were originally filed with the Secretary of State of the State of Nebraska on March 6, 2023.

The Articles of Incorporation were executed by the following Incorporators:

#### **Name**

Scott Markel  
Angela Rinella  
Jonathan Shafner  
Heather Trindade  
Hollis White

### **CAPITAL STOCK**

Article VI of the Company's Articles of Incorporation states, "the aggregate number of shares which the Company is authorized to issue is ten million (10,000,000) shares of Common Stock of the par value of one dollar (\$1) per share, all of one class, and having an aggregate par value of ten million dollars (\$10,000,000)." At the date of this qualifying examination, the Company's total issued and outstanding common stock consisted of 5,000,000 shares held by GEICO Corporation, a Delaware Corporation. GEICO Corporation contributed a total of \$10,000,000 to the company. The Company's capital structure therefore consists of \$5,000,000 in common stock and \$5,000,000 in paid-in and contributed surplus.

## MANAGEMENT

### Shareholders

Article II, Section 1 of the By-Laws of the Company provide that, “the annual meeting of the shareholders for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held at such place, date and hour as shall be designated in the notice thereof.”

### Board of Directors

Article III, Section 2 of the By-Laws states that “the number of Directors which shall constitute the whole Board shall not be less than five (5) with the exact number to be fixed by a resolution adopted by a majority of the whole Board. Except as otherwise expressly provided by law, each of the Directors of the Company shall hold office until the annual meeting next after election and until a successor is elected and qualified or until such Director’s earlier death or resignation or removal”.

In lieu of a meeting, an action of unanimous written consent was taken by the sole shareholder of the Company, dated July 12, 2023, that the following persons will serve on the Board of Directors:

<u>Name</u>	<u>City, State</u>
Todd Combs (Chairman)	Omaha, Nebraska
Nancy Pierce	Washington, DC
Alison Fazio	Chevy Chase, MD
Seth Ingall	Potomac, MD
John Pham	Virginia Beach, VA
Daniel Jaksich	Papillion, NE

### Officers

Article V, Section 1 of the company’s By-Laws states, “the Officers of the Company shall be a Chairman of the Board, a President, one or more Vice Presidents

(including any Executive and/or Senior Vice Presidents) as the board may determine from time to time, a General Counsel, a Secretary and a Treasurer. There also may be elected or appointed a Vice Chairman of the Board, an Actuary, a Controller, an Internal Auditor and such other officers, associates and assistants under appropriate titles as may be necessary or advisable”

The following persons were elected as officers of the Company to the positions adjacent to their names below, dated July 14, 2023:

<b><u>Name</u></b>	<b><u>Position</u></b>
Todd Combs	Chairman, Chief Executive Officer and President
Nancy Pierce	Executive Vice President
Alison Fazio	Senior Vice President & Chief Financial Officer
Seth Ingall	Senior Vice President & Chief Legal Officer
John Pham	Senior Vice President
Frank Benenati	Vice President
Piyush Bichhoriya	Vice President
Aman Chadha	Vice President
Kathleen Crotty	Vice President
Julie Donahue	Vice President
Ben Falcon	Vice President
James Goode	Vice President
Kate Jalkut	Vice President
Kipp Johnson	Vice President
Tracey Laws	Vice President
Michael Masiuk	Vice President
Georgiana Mirea	Vice President
Michelle Moscone	Vice President
Andrew Rosenbaum	Vice President
Soumitro Tagore	Vice President
Jared Vestal	Vice President
Robert Vizza	Vice President
Suhasini Cetlur	Treasurer
Christopher Nowack	Secretary

## **CORPORATE RECORDS**

The Articles of Incorporation have been properly filed with the Secretary of State of the State of Nebraska. The original By-Laws and other pertinent documents pertaining to the incorporation of the Company have been filed with the Nebraska Department of Insurance. The written consents in lieu of the meetings of the Incorporators and the Board of Directors were reviewed and appeared to be in order.

Pursuant to Nebraska Revised Statute 44-205.01(b), the Articles state that the registered office of the Company shall be located at 1314 Douglas Street, Suite 1400, Omaha, Nebraska 68102.



## FINANCIAL STATEMENT

The following statements reflect the Company's financial condition as of July 31,

2023:

### BALANCE SHEET July 31, 2023

#### Assets

Bonds	\$ 123,516
Cash and Cash Equivalents	<u>9,907,426</u>
Total assets	<u>\$10,030,942</u>

#### Liabilities, Capital and Surplus

Total liabilities	\$ 0
Common capital stock	5,000,000
Gross paid in and contributed surplus	5,000,000
Unassigned funds	<u>30,942</u>
Total capital and surplus	<u>\$10,030,942</u>
Total liabilities, capital and surplus	<u>\$10,030,942</u>

### ASSETS

**Bonds** **\$ 123,516**

The company purchased a U.S. Treasury Note, which has a par value of \$125,000, to serve as the statutory deposit for Nebraska. The book value of the bond was \$123,516 as of July 31, 2023. The deposit was verified by confirming the account with the receiving bank.

**Cash, Cash Equivalents, and Short-Term Investments** **\$9,907,426**

As of July 31, 2023, the Company had received \$10,000,000 cash from GEICO Corporation for the initial capitalization of the Company. The company utilized

\$250,000 to purchase the US Treasury Note referenced above, as well as a Treasury Obligation Cash Equivalent with a total cost of \$126,161. Excluding this Cash Equivalent amount, the remaining Cash balance is a total of the closing Cash balance as of 7/31 and the amount of interest credited to the account. This asset was verified by confirming the accounts with the receiving banks and by review of the funds transfer verification with minor variations due to rounding in interest calculations.

### **LIABILITIES, CAPITAL AND SURPLUS**

**Liabilities** **\$ 0**

The Company has zero liabilities as of report date.

**Common Capital Stock, Issued, and Outstanding** **\$5,000,000**

The Company issued 5,000,000 outstanding shares at the par value of \$1.00 a share, which was purchased by GEICO Corporation. The stock certificate was reviewed for accuracy.

**Paid In and Contributed Surplus** **\$5,000,000**

GEICO Corporation paid \$10,000,000 on July 5, 2023. The contribution was utilized to purchase the \$5,000,000 in common stock, and the remaining \$5,000,000 account for the Paid In and Contributed Surplus amount. The contribution was verified by reviewing the Company's bank statement and the funds transfer documentation for the \$10,000,000 cash contribution from GEICO Corporation.

**Unassigned Funds** **\$ 30,942**

As of July 31, 2023, the Company's unassigned funds totaled \$30,942.

## **GENERAL COMMENTS**

In accordance with Nebraska Revised Statute §44-208, “no domestic insurance company shall issue, cause, or allow to be issued any stock or stock subscriptions at any time upon which all expenses of distribution and sale, including promotion, commission, and underwriting fees, exceed ten percent of the amount paid in money upon such stock or stock subscriptions.”

An affidavit signed by the Secretary of the Company stating that none of the assets of the Company have been pledged or in any way impaired has been obtained. The signed affidavit also states that all of the known expenses unpaid are estimated to be \$0, and that all of the expenses of the organization of the Company will not exceed ten (10) percent of the initial paid-in capital stock and surplus of the Company.

**CONCLUSION**

Capital, surplus, and organizational filing requirements have been met by the Company as required by the Nebraska Insurance Statutes. All items reviewed appeared properly stated. It is recommended that a Certificate of Authority be granted to this Company to transact the business of insurance as provided under Nebraska Revised Statute §44-201(5), (7), (8), (9), (10), (12), (18), and (20).

Respectfully submitted,



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Brian Davis, CFE  
Financial Examiner  
Nebraska Department of Insurance

State of Nebraska,  
County of Lancaster,

Brian Davis, being duly sworn, states as follows:


1. I have authority to represent the Department of Insurance of the State of Nebraska in the qualifying examination of GEICO Protection Insurance 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 GEICO Protection Insurance Company 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.

  
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Examiner-in-Charge's Signature

Subscribed and sworn before me by Brian Davis on this 31<sup>st</sup> day of Aug, 2023.

(SEAL)

  
\_\_\_\_\_  
Notary Public

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

