STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

JUL 02 2026

FILED

CERTIFICATION

July 2, 2026

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

NATIONAL FIRE & MARINE INSURANCE COMPANY

AS OF

DECEMBER 31, 2024

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

NATIONAL FIRE & MARINE INSURANCE COMPANY

1314 DOUGLAS STREET, SUITE 1400

OMAHA, NE 68102

dated as of December 31, 2024, verified under oath by the examiner-in-charge on June 17, 2026, and received by the company on June 18, 2026, has been adopted with modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 1st day of July 2026.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Tadd K. Wegner

Tadd Wegner, CFE
Chief Financial Regulator

STATE OF NEBRASKA

Department of Insurance

EXAMINATION REPORT

OF

NATIONAL FIRE & MARINE INSURANCE COMPANY

as of

December 31, 2024

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Omaha, Nebraska
May 18, 2026

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:

NATIONAL FIRE & MARINE 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, 2020. The current financial condition examination covers the intervening period to, and includes the close of business on December 31, 2024 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 Direct Insurance Company ("BHDIC")
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”)
BHHC Special Risks Insurance Company (“BHSR”)
Columbia Insurance Company (“CIC”)
Continental Divide Insurance Company (“CDIC”)
Cypress Insurance Company (“CYP”)
Finial Reinsurance Company (“FRC”)
First Berkshire Hathaway Life Insurance Company (“FBHL”)
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, Connecticut Insurance Department, Iowa Insurance Division, and New York Department of Financial Services as the participating states. 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 years ended December 31, 2023 and 2024. 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 organized under the laws of the State of Nebraska as a capital stock fire and casualty insurance company on October 11, 1949 and commenced business on January 1, 1950.

Under provisions of its amended charter and in conformity with Nebraska Statutes, the Company is authorized to write all lines of business prescribed by Section §44-201 of the Nebraska

Insurance Code except life, variable life, variable annuities, credit property, title, and mortgage guaranty insurance.

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," as reported in the 2024 Annual Statement, is attached to this report as an addendum.

Shareholder

Article IV of the Company's Articles of Incorporation states that, "the Corporation has the authority not limited by any preemptive or other rights of its Shareholders to issue an aggregate of fifty thousand (50,000) shares of nonassessable common capital stock of the par value of one hundred sixty six and 66/100 dollars ($166.66) each, subject to such conditions and other terms with respect to transfer thereof and other rights therein of its Shareholders as are set out in its By-Laws at the time of its acquisition by them or as are adopted from time to time by their unanimous agreement."

As of December 31, 2024, Company records indicated that 35,000 shares were issued and outstanding and that all were owned by BHI, for a total paid up capital of $5,833,100.

There were no changes made to common capital stock during the years under review. Gross paid-in and contributed surplus was $217,716,900 as of December 31, 2024. The Company paid an extraordinary dividend totaling $420,897,411 in 2022. This dividend consisted of Occidental Petroleum Corporation common stock shares.

Per Section 2A of the Company's By-Laws, "the annual meeting of Shareholders of the Company shall be held each year at a location, at a time and on a date set by the President of the Company, during the first five months of the calendar year."

Board of Directors

Section 3A of the Company's By-Laws provides that, "the affairs and business of the Corporation shall be managed by a Board of such number of Directors not less than five (5) nor more than twenty-one (21) as may be fixed by the Shareholders at each annual meeting, at least one of whom shall be a resident of Nebraska…and each of whom shall be elected annually by the Shareholders at each annual meeting to serve for a term of office of one year or until a successor has been elected and qualified."

Section 3C of the Company's By-Laws provides that, "annual meetings of the Board of Directors shall be immediately following the annual meetings of the Shareholders…"

The following persons were serving as Directors at December 31, 2024:

Name and Residence	Principal Occupation
Bruce J. Byrnes New City, New York	Vice President and Assistant Secretary, National Indemnity Company
Ateet A. Dhru Old Greenwich, Connecticut	Vice President, National Indemnity Company
Dale D. Geistkemper Omaha, Nebraska	Treasurer and Controller, National Indemnity Company
Brian G. Snover Stamford, Connecticut	Senior Vice President and Secretary, National Indemnity Company
Donald F. Wurster Omaha, Nebraska	President, National Indemnity Company

Effective May 8, 2025, Bruce J. Byrnes and Dale D. Geistkemper resigned as Directors of the Company and Nancy F. Peters and Zachary R. Royse were elected as Directors.

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

Officers

Section 4A of the Company's By-Laws states that, "the Officers shall be a President, one or more Vice Presidents, a Secretary, one or more Assistant Secretaries, a Treasurer, and one or more Assistant Treasurers none of whom shall be required to be Shareholders or Directors…"

The following is a partial listing of Senior Officers elected and serving the Company at December 31, 2024:

Name	Office
Donald F. Wurster	President
Brian G. Snover	Senior Vice President and Secretary
Dale D. Geistkemper	Treasurer and Controller
Scott R. Doerr	Senior Vice President
Tracy L. Gulden	Senior Vice President
Thomas L. Young	Senior Vice President
John D. Arendt	Vice President and Assistant Secretary
Bruce J. Byrnes	Vice President
Ateet A. Dhru	Vice President
David N. Fields	Vice President
Timothy J. Kenesey	Vice President
Raj R. Mehta	Vice President
Nancy F. Peters	Vice President
Karen L. Rainwater	Vice President
Ty J. Reil	Vice President
Brad E. Rosen	Vice President
Peter M. Shelley	Vice President
David J. Stanard	Vice President
Ralph Tortorella III	Vice President
Brooke L. Gregory	Assistant Treasurer
Zachary R. Royse	Assistant Controller
Shane M. Tomlinson	Assistant Controller

Committees

Section 3H of the Company's By-Laws states that, "the Board of Directors may designate an Executive Committee and one or more other committees from among the Directors; and the Executive Committee and such other committees as are designated shall have such powers and rights and be charged with such duties and obligations respectively as usually are vested in and pertain to such committees or as may be directed from time to time by the Board of Directors."

The following persons were serving on the Executive Committee at December 31, 2024:

Brian G. Snover	Donald F. Wurster

The following persons were serving on the Investment Committee at December 31, 2024:

Dale D. Geistkemper	Donald F. Wurster

The following persons were serving on the Audit Committee at December 31, 2024:

Bruce J. Byrnes	Brian G. Snover

TRANSACTIONS WITH AFFILIATES

Intercompany Service Agreements

On December 7, 2001, the Company entered into an agreement with BHLN, NICO, CIC, and Berkshire Hathaway Credit Corporation ("BHCC"). Under the terms of the agreement, BHCC performs various services for these affiliates including: consulting, analytical, and research services. The method of allocating expenses is set forth in the intercompany services agreement. This agreement was terminated on November 7, 2022.

On July 1, 2005, the Company entered into an operating agreement with The Medical Protective Company ("MedPro"). The agreement grants MedPro authority to administer and manage policies for the Company.

Effective October 1, 2005, the Company entered into an agreement with MedPro. Under the terms of the agreement, MedPro performs various claims services for the Company. The method of allocating expense is set forth in the claims services agreement.

Effective March 1, 2011, the Company entered into an intercompany service agreement with BHLN, CIC, NICO, NIMA, and NISO. Under the terms of the agreement, NICO performs various services for these affiliates, including: accounting, tax, internal and premium auditing, underwriting, claims, information technology, marketing, and support services. NICO also agrees to provide certain property, equipment, and facilities necessary in the conduct of the affiliates' operations; and also provides the personnel necessary for the affiliates to conduct their normal day-to-day operations. This relationship results in joint operating expenses that are subject to allocation. The method of allocating these expenses is set forth in the intercompany services agreement. The charge to the affiliates for the services and facilities includes all direct and directly allocable expenses, reasonably and equitably determined to be attributable to the affiliates by NICO. The apportionment of costs is based upon the allocation of salary for NICO employees on a quarterly basis.

On February 6, 2017, the Company, along with NICO and NLF, entered into an agreement with General Reinsurance Corporation ("Gen Re"), whereby Gen Re performs claims and underwriting advisory services for the Company in the conduct of its U.S. facultative reinsurance business. The Company agrees to compensate Gen Re 9% of the gross premium earned on the business serviced by Gen Re during each subject calendar year. In 2023, the agreement was amended to note that Gen Re now collects the premiums on behalf of the companies and these are settled quarterly.

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

Effective December 19, 2017, the Company entered into an agreement with BHSIC, whereby BHSIC provides certain services to the Company. These services consist of underwriting, claims administration and payment, corporate, and reporting services. In consideration for such services, the Company pays all costs, fees, and expenses incurred by BHSIC that are directly allocable to services provided under the agreement.

Effective March 1, 2019, the Company entered into an agreement with WestGuard Insurance Company ("Guard"), whereby Guard provides certain services and access to its proprietary software. The software developed by Guard includes policy administration, rating, workflow, billing, premium audit, collections, and claims capabilities.

Effective April 3, 2020, the Company, along with NICO, entered into an intercompany service agreement with Resolute Management Services Limited ("RMSL"). RMSL provides certain underwriting advisory and claims services to the Company and NICO in connection with its U.S. surplus lines business and global reinsurance business.

Intercompany Investment Services Agreement

Effective December 18, 2015, the Company became a participant in an investment services agreement with Berkshire Hathaway Inc. ("BHI") whereby BHI may perform various investment services for the Company.

Intercompany Allocation Agreement

Effective December 31, 2014, the Company became a participant in an intercompany allocation agreement with its affiliates, BHHIC, BHSR, CDIC, CYP, NLF, NICO, NIMA, ORIC, and RFC. The affiliated insurers listed above are parties to reinsurance contracts where two or more of the Companies are listed as cedents under the contract. Under the agreement, in the event aggregate reinsurance coverage is ever exhausted in any of the contracts, recoveries for each company will be recalculated as of each quarter on each company's proportionate share of the total recoveries without regard to the aggregate reinsurance coverage under the contracts.

Revolving Loan Agreement

Effective August 1, 2002, the Company entered into a revolving loan agreement with its affiliate, NICO. Pursuant to the amended agreement, each party may lend funds to the other from time to time, up to a limit of $1,000,000,000. The Company did not have an outstanding loan balance as of December 31, 2024.

Consolidated Federal Income Tax Allocation Agreement

The Company joins with a group of approximately 775 affiliated companies in the filing of a consolidated federal income tax return. 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 tax liabilities of all affiliates that are members of the consolidated group. A complementary method is used, which results in reimbursement by profitable affiliates to loss affiliates for tax benefits generated by loss affiliates.

A written agreement between the Company and BHI, effective April 15, 1996, describes the method of tax allocation and the manner in which intercompany balances are settled.

TERRITORY AND PLAN OF OPERATION

As evidenced by current or continuous Certificates of Authority, the Company is licensed to transact "surplus lines" of business in all states, the District of Columbia and the U.S. Virgin Islands. The Company's authority is limited to reinsurance only in Puerto Rico.

Primary business, including commercial automobile and general liability, is produced through a nationwide network of affiliated and independent surplus lines brokers. Underwriting and claims handling for commercial automobile and general liability is performed in Omaha, Nebraska.

In addition, various corporate products including aircraft coverages, professional liability capacity such as medical malpractice, directors and officers liability, errors and omissions, and commercial multi-peril coverages are offered as well as certain large individual property risks. The primary review of this business is performed in the Company's Reinsurance Division located in Stamford, Connecticut. Some of the commercial multi-peril, aircraft, and medical malpractice risks are underwritten by affiliated and unaffiliated brokers and general agents.

The Company also assumes reinsurance, including "supercat" covers, catastrophe excess property risk, and various other facultative and quota share treaties with other insurance companies, syndicates, and pools. These assumptions are primarily underwritten through the Stamford office.

Berkshire Hathaway Specialty Insurance ("BHSI") division was formed in April, 2013 to provide customers with tailored solutions for large and complex risks. BHSI currently provides primary and excess commercial property, casualty, healthcare professional liability, executive and professional lines insurance, and related programs. BHSI's business is written by the Company on a non-admitted excess and surplus lines basis in the U.S. market. BHSI also writes policies on an admitted basis through affiliates of the Company.

The Company insures medical malpractice risks through an agreement with its affiliate, MedPro. MedPro underwrites classes and lines of business or types of risks purchased by health care providers and/or facilities on the Company's paper on an excess and surplus lines basis. MedPro also adjusts claims resultant from this business on behalf of the Company.

REINSURANCE

Assumed - Affiliates

Effective January 1, 2007, the Company provides coverage to NLF, covering 100% of NLF's liabilities in excess of $5,000,000 per occurrence, which arise from contracts with per occurrence limits in excess of $5,000,000 on contracts with an effective date prior to July 1, 2020. On contracts with an effective date of July 1, 2020 or later, the Company will assume 100% of NLF's liabilities in excess of $25,000,000 per occurrence, which arise from contracts assumed and with per occurrence limits in excess of $25,000,000.

Ceded - Affiliates

The Company entered into an excess of loss reinsurance agreement with NICO. This agreement became effective January 1, 1998. Through amendments to the agreement, the Company's retention has increased from the original $10,000,000 to $50,000,000 effective June 6, 2005, and increased to $100,000,000 effective January 1, 2007. The agreement currently calls for the Company to cede and NICO to assume 100% of the Company's liabilities in excess of $100,000,000 per occurrence, which arise from the Company's issuance of insurance policies and reinsurance contracts with per occurrence limits in excess of $100,000,000.

The Company entered into an excess of loss agreement with NICO effective June 1, 2007 to provide catastrophic event protection. The Company cedes 100% of its liabilities in excess of $500,000,000 for the first occurrence in a given calendar year and liabilities in excess of $100,000,000 for each subsequent loss occurrence in that calendar year that arise from the Company's issuance of insurance policies and reinsurance contracts. Effective July 1, 2014, the agreement was amended to increase the aggregate limit from $2,000,000,000 to $5,000,000,000 per occurrence and $6,000,000,000 to $15,000,000,000 for all occurrences within a given calendar year.

The Company maintains property excess per risk reinsurance protection with affiliated and unaffiliated reinsurers. Effective January 1, 2022, CIC participates as a subscribing reinsurer. Program retentions, per-risk limits, per-occurrence limits, terrorism sub-limits, and aggregate limits vary by treaty year based on market conditions and Company requirements. Affiliates BHHIC, CYP, NIMA, ORIC, and RFC are included as reinsureds under this agreement.

General

All contracts reviewed contained standard insolvency, arbitration, errors and omissions, and termination clauses where applicable, except as noted in the Findings section in this report. 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:

	2021	2022	2023	2024
Bonds	$ 233,847,804	$ 734,118,172	$ 734,932,074	$ 90,562,036
Common stocks	14,265,325,524	11,542,150,411	12,661,951,813	6,004,495,400
Cash, cash equivalents and short-term investments	5,129,085,571	5,382,700,507	9,743,356,308	23,265,351,334
Admitted assets	20,612,207,172	18,639,240,704	24,298,688,008	30,362,840,168
Losses	4,188,951,836	5,217,727,763	5,912,576,215	7,276,391,090
Total liabilities	9,094,285,228	9,933,595,357	12,169,803,975	15,451,679,772
Capital and surplus	11,517,921,944	8,705,645,347	12,128,884,033	14,911,160,396
Premiums earned	2,853,344,949	3,377,563,310	4,178,554,511	4,491,985,881
Net investment income	156,985,568	304,508,260	543,090,391	888,026,576
Losses incurred	1,833,447,204	2,293,011,382	2,163,514,689	2,659,852,571
Net income	153,080,584	1,462,934,735	997,720,073	6,191,746,865

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, 2024. 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, 2024

Assets	Assets	Assets Not Admitted	Net Admitted Assets
Bonds	$ 90,562,036		$ 90,562,036
Common stocks	6,004,495,400		6,004,495,400
Cash, cash equivalents and short-term investments	23,265,351,334		23,265,351,334
Other invested assets	21,564,599		21,564,599
Subtotal, cash and invested assets	$29,381,973,369		$29,381,973,369
Investment income due and accrued	6,018,451		6,018,451
Uncollected premiums	404,073,766	$ 5,997,875	398,075,891
Deferred premiums	14,169		14,169
Amounts recoverable from reinsurers	45,521,462		45,521,462
Current federal and foreign income tax recoverable	16,620,785		16,620,785
Receivables from parent and affiliates	73,297,280		73,297,280
Recoverable on ceded reinsurance booked as deposit	415,325,753		415,325,753
Advances to third party claims administrators	23,913,503	23,913,503	
Other assets	25,993,008		25,993,008
Totals	$30,392,751,546	$29,911,378	$30,362,840,168

Liabilities, Surplus, and Other Funds

Losses	$ 7,276,391,090
Reinsurance payable	16,588,365
Loss adjustment expenses	1,244,503,061
Commissions payable	42,526,208
Other expenses	90,362,181
Taxes, licenses and fees	58,230
Net deferred tax liability	1,184,015,344
Unearned premiums	2,149,208,326
Advance premium	11,777,660
Ceded reinsurance premiums payable	8,600,671
Amounts withheld or retained for account of others	298,808
Remittances and items not allocated	1,911,962
Provision for reinsurance	3,700,000
Drafts outstanding	339,138
Payable to parent, subsidiaries and affiliates	38,034,676
Payable for securities	2,937,285,856
Retroactive insurance reserve	18,403,232
Deferred investment gain liability	7,243,250
Deposit liabilities	415,325,753
Deferred other income on deposit	5,105,961
Total liabilities	$15,451,679,772
Common capital stock	$ 5,833,100
Gross paid in and contributed surplus	217,716,900
Unassigned funds (surplus)	14,687,610,396
Total capital and surplus	$14,911,160,396
Totals	$30,362,840,168

STATEMENT OF INCOME – 2024

Underwriting Income

Premiums earned	$4,491,985,881
Losses incurred	$2,659,852,571
Loss adjustment expenses incurred	360,808,530
Other underwriting expenses incurred	1,072,918,897
Total underwriting deductions	$4,093,579,998
Net underwriting gain	$ 398,405,883

Investment Income

Net investment income earned	$ 888,026,576
Net realized capital gain	5,193,942,765
Net investment gain	$6,081,969,341

Other Income

Net gain from agents' or premium balances charged off	$ 323,222
Miscellaneous income	5,102,225
Retroactive insurance gain (loss)	(14,377)
Total other income	$ 5,411,070
Net income before federal income taxes	$6,485,786,294
Federal income taxes incurred	294,039,429
Net income	$6,191,746,865

CAPITAL AND SURPLUS ACCOUNT

	2021	2022	2023	2024
Capital and surplus, beginning	$ 8,622,515,281	$11,517,921,945	$ 8,705,645,347	$12,128,884,033
Net income	$ 153,080,584	$ 1,462,934,735	$ 997,720,073	$ 6,191,746,865
Change in net unrealized capital gains	2,709,784,638	(3,590,360,832)	2,394,270,521	(3,439,330,325)
Change in net unrealized foreign exchange capital gain (loss)	(164,573)	(754,535)	342,312	(171,810)
Change in net deferred income tax	35,456,258	(253,635,884)	35,011,332	31,717,613
Change in nonadmitted assets	(3,505,243)	(6,135,671)	(4,311,552)	(6,621,980)
Change in provision for reinsurance	755,000	(3,427,000)	206,000	4,936,000
Dividends to stockholders		(420,897,411)		
Net change for the year	$ 2,895,406,664	$ (2,812,276,598)	$ 3,423,238,686	$ 2,782,276,363
Capital and surplus, ending	$11,517,921,945	$ 8,705,645,347	$12,128,884,033	$14,911,160,396

EXAMINATION CHANGES IN FINANCIAL STATEMENTS

Unassigned funds (surplus) in the amount of $14,687,610,396, as reported in the Company’s 2024 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

The recommendations appearing in the previous report of examination are reflected below together with the remedial actions taken by the Company to comply therewith:

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 New England Asset Management (“NEAM”) that includes settlement provisions in order to be compliant with Statement of Statutory Accounting Principles (“SSAP”) No. 25(8) and Nebraska Insurance Statute §44-2133(2)(d).

Actions: The Company has complied with this recommendation.

<u>Schedule P Reconciliations</u> - It is recommended that the Company comply with the Annual Statement Instructions regarding the Actuarial Opinion, specifically the illustration of Schedule P reconciliations as noted in paragraph 7C.

Actions: The Company has complied with this recommendation.

<u>Required Officers</u> – It is recommended that the Company comply with its By-Laws and elect the required Officers. During the examination the Company began electing an Assistant Treasurer to address this issue.

Actions: The Company has complied with this recommendation.

COMMENTARY ON CURRENT EXAMINATION FINDINGS

Compliance with By-Laws Regarding Directors Resident in Nebraska

The Company was not in compliance with its By-Laws requiring the “majority” of its Directors be residents of Nebraska during the period of January 1, 2021 through August 14, 2024. During this time, only two of the five Directors were residents of Nebraska. Effective August 15, 2024, the Company amended its By-Laws requiring one Director to be a Nebraska resident. The Company was in compliance with its By-Laws for the period August 15, 2024 through December 31, 2024.

It is recommended that the Company establish controls and monitor that it is in compliance with its By-Laws with respect to the number of required Nebraska resident Directors.

Reinsurance Agreement Required Clauses

Based on a sample of facultative certificates reviewed, the certificates did not include the entire agreement clause as stipulated under SSAP No. 62, Section 8(c). In addition, there was no errors and omissions clause included. Specific to the facultative certificates, the Company was not party to the underlying reinsurance agreement where the Company indicated these clauses were documented. Additionally, based on a sample of the underlying reinsurance agreements reviewed, the agreements did not include the entire agreement clause.

It is recommended that the Company include all required clauses and provisions in its facultative certificates and reinsurance agreements as required by SSAP No. 62. It is also recommended that the Company include the errors and omissions clause.

SUBSEQUENT EVENT

IMPACT FROM CALIFORNIA WILDFIRES

In January 2025, several wildfires broke out in southern California resulting in thousands of destroyed or damaged structures. As of December 31, 2025, the Company incurred approximately $52,000,000 in losses.

SUMMARY OF COMMENTS AND RECOMMENDATIONS

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

Compliance with By-Laws Regarding Directors Resident in Nebraska – It is recommended that the Company establish controls and monitor that it is in compliance with its By-Laws with respect to the number of required Nebraska resident Directors.

Reinsurance Agreement Required Clauses – It is recommended that the Company include all required clauses and provisions in its facultative certificates and reinsurance agreements as required by SSAP No. 62. It is also recommended that the Company include the errors and omissions clause.

ACKNOWLEDGMENT

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

In addition to the undersigned, Christine Browning, CFE, Joel Schaefer, CPA, Rene Martinez, CFE, Debbie Fernatt, CFE, William Michael, CFE, CIA, CPCU, ARe, John Humphries, ASA, CFE, CISA, MAAA, MCM, Financial Examiners; LeeAnne Creevy, CPA, CISA, CITP, CRMA, MCM, Michael Maertz, CISA, CRISC, CDPSE, CSXF, CIPM (IAPP), Ras Sowers, CISA, CRISC, CDPSE, CISSP, HCISPP, CIA, CRMA, AES, Sean Betta, CIE, AIRC, ALMI, AMCM, Information Systems Specialists; Tricia Matson, FSA, MAAA, Andy Rarus, ASA, MAAA, Vadim Marchenko, ASA, MAAA, John Hyde, FSA, MAAA, Dave Heppen, FCAS, MAAA, Lauren Cavanaugh, FCAS, MAAA, MCM, Denise Ambrogio, FCAS, MAAA, Jared Rubinstein, FCAS, Ginda Fisher, FCAS, Elizabeth Feldhausen, ACAS, MAAA, Actuarial Specialists; and Edward Toy and Crystal Brown, Investment Specialists; all contracted by 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, 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,

Laura Clark, CFE, CPA
Examiner-in-Charge
Risk & Regulatory Consulting, LLC
Representing Department of Insurance
State of Nebraska

Skyler Lawyer, CFE
Assistant Chief Examiner - Field
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. (30.29519% owned by Warren E. Buffett)
  - Acme Building Brands, Inc. and owned affiliates
  - Affordable Housing Partners, Inc. and owned affiliates
  - Albecca Inc. and owned affiliates
  - Alleghany Corporation
    - Alleghany Capital Corporation and owned affiliates
    - Alleghany Insurance Holdings LLC
      - Alleghany Reinsurance Company
      - CapSpecialty, Inc. and owned affiliates
      - Roundwood Asset Management LLC
      - RSUI Group, Inc.
        - Resurgens Specialty Underwriting, Inc.
        - RSUI Indemnity Company
          - Covington Specialty Insurance Company
          - Landmark American Insurance Company
        - RSUI Surplus Lines Insurance Services, Inc.
          - RSUI Insurance Exchange RPG, Inc.
    - Alleghany Properties Holdings LLC and owned affiliates
    - Transatlantic Holdings, Inc.
      - Integral ILS Ltd.
      - Pillar Capital Holdings Limited
      - Professional Risk Management Services, Inc.
      - Transatlantic Re (Argentina) S.A.
      - Transatlantic Reinsurance Company
        - Calpe Insurance Company Limited
        - El Sol Del Paraguay S.A.
        - Fair American Insurance and Reinsurance Company
        - Fair American Select Insurance Company
        - Orien Risk Analysts, Inc.
        - TransRe Europe S.A.
        - TransRe London Limited
        - TransRe London Services Limited
        - TRC Escritorio de Representacao no Brasil Ltda.
      - TransRe Underwriting Managers Agency Ltd.
      - TReIMCo Limited
  - 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
        - biBERK Insurance Services, Inc.
        - 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
                - Daniels-Head Management Corporation and owned affiliates
                - 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
- Blue Chip Stamps, Inc.
- Borsheim Jewelry Company, Inc.
- Brooks Sports, Inc. and owned affiliates

- Burlington Northern Santa Fe, LLC 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 affiliate
- 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 Life Corporation
      - Idealife Insurance Company
    - General Reinsurance AG and owned affiliates
    - General Reinsurance Australia Ltd
    - General Star Indemnity Company
    - General Star National Insurance Company
    - Genesis Insurance Company
    - Genesis Management and Insurance Services, LLC
    - GenStar Insurance Services, LLC
    - GRC Realty Corporation
    - Railsplitter Holdings Corporation
  - New England Asset Management, Inc. and owned affiliate
  - GRD Holdings Corporation and owned affiliate
  - GRSA Services (Proprietary) Limited
  - 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

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
AHP Housing Fund 265, LLC
AHP Housing Fund 267, LLC
AHP Housing Fund 285, LLC
AHP Housing Fund 296, LLC
AHP Housing Fund 318, LLC
BDT I-A Plum, LLC
Berkshire Hathaway European Insurance Designated Activity Company
Berkshire Hathaway Homestate Insurance Company
Berkshire Hathaway International Insurance Limited
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

BHHC Special Risks Insurance Company
Continental Divide Insurance Company
Cypress Insurance Company
Douglas Building, LLC
Finial Reinsurance Company
GEICO Corporation
- Boat America Corporation
  - GEICO Marine Insurance Company
- CalGO Insurance Company
- GEICO Advantage Insurance Company
- GEICO Atlantis Corporation
- GEICO Choice Insurance Company
- GEICO County Mutual Insurance Company
- GEICO Discovery Corporation
- GEICO Endeavor Corporation
- GEICO Financial Services, Gmbh
- GEICO Horizon Corporation

GEICO Indemnity Company
Criterion Insurance Agency, Inc.
GEICO Casualty Company
GEICO Lone Star Corporation
GEICO Perspective Corporation
GEICO Products, Inc.
GEICO Protection Insurance Company
GEICO Secure Insurance Company
GEICO Texas County Mutual Insurance Company
GEICO Voyager Corporation
Government Employees Insurance Company
AHP Federal and State Affordable 1, LLC and owned affiliates
AHP State Affordable 1, LLC and owned affiliates
Altirus Road LLC
Boat Owners Association of the United States LLC
BRK Investment Holdings, LLC and owned affiliate
GEICO General Insurance Company
GEICO Insurance Agency, LLC
Government Employees Financial Corporation
Plaza Financial Services Company
Riverside Village Investments, LLC
Sirius XM Holdings Inc.
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
Occidental Petroleum Corp
Pilot Travel Centers LLC and owned affiliates
Redwood Fire and Casualty Insurance Company
Sirius XM Holdings Inc.
SLI Holding Limited and owned affiliates
Tenecom Limited and owned affiliate
The British Aviation Insurance Company Limited
Transfercom Limited
V3 Insurance Agency Inc.
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
R.C. Willey Home Furnishings and owned affiliate
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 Connecticut,

County of Hartford,

Laura Clark, being duly sworn, states as follows:

1. I have authority to represent the Department of Insurance of the State of Nebraska in the examinations of the Columbia Insurance Company, Berkshire Hathaway Direct Insurance Company, National Fire & Marine Insurance Company, National Indemnity Company, Berkshire Hathaway Life Insurance Company of Nebraska, BHG Life Insurance Company, Berkshire Hathaway Specialty Insurance Company, Berkshire Hathaway Homestate Insurance Company, Oak River Insurance Company, and Redwood Fire and Casualty 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 reports, and the examinations of the Columbia Insurance Company, Berkshire Hathaway Direct Insurance Company, National Fire & Marine Insurance Company, National Indemnity Company, Berkshire Hathaway Life Insurance Company of Nebraska, BHG Life Insurance Company, Berkshire Hathaway Specialty Insurance Company, Berkshire Hathaway Homestate Insurance Company, Oak River Insurance Company, and Redwood Fire and Casualty Insurance Company were 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.

SUSAN E SKLENKA
Notary Public
Connecticut
My Commission Expires Nov 30, 2028

Laura Clark
Examiner-in-Charge's Signature

Subscribed and sworn before me by Laura Clark on this 17th day of June, 2026.

Susan E Sklenka
Notary Public

My commission expires November 30, 2028