

JUL 13 2025

FILED

# CERTIFICATION

July 13, 2025

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

**RADNOR SPECIALTY INSURANCE COMPANY**

**AS OF**

**DECEMBER 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

**RADNOR SPECIALTY INSURANCE COMPANY**

**1190 DEVON PARK DRIVE**

**WAYNE, PA 19087**

dated as of December 31, 2023, verified under oath by the examiner-in-charge on  
June 18, 2025, and received by the company on June 18, 2025, has been adopted  
with modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 3<sup>rd</sup> day of July 2025.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

A handwritten signature in black ink that reads "Tadd R. Wegner". The signature is written in a cursive, flowing style.

Tadd Wegner, CFE  
Chief Financial Regulator

**STATE OF NEBRASKA**

**Department of Insurance**

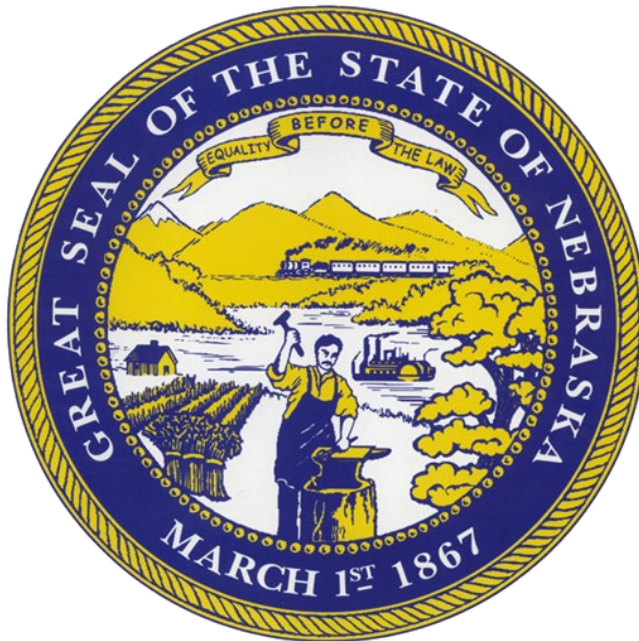
**EXAMINATION REPORT**

**OF**

**RADNOR SPECIALTY INSURANCE COMPANY**

**as of**

**December 31, 2023**



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Wayne, PA  
May 28, 2025

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:

**RADNOR SPECIALTY INSURANCE COMPANY**

which has its Statutory Home Office located at

10330 Regency Parkway Drive, Ste 100  
Omaha, NE 68114

with its Principal Executive Office located at

1190 Devon Park Drive  
Wayne, PA 19087

(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, 2018. The current financial condition examination covers the intervening period to, and includes the close of business on December 31, 2023 and such subsequent events and transactions as were considered pertinent to this report. The States of Nebraska and North Dakota participated in this examination and assisted in the preparation of this report.

The same examination staff conducted concurrent financial condition examinations of the following affiliates: Mount Vernon Fire Insurance Company (“MVF”), Mount Vernon Specialty Insurance Company (“MVS”), United States Liability Insurance Company (“USLI”) and U.S. Underwriters Insurance Company (“USU”).

### **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 North Dakota Insurance Department as the participating state. 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 and Board of Directors 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 Mazars USA LLP, the Company's external auditors, during their audit of the Company's accounts for the years ended December 31, 2022 and 2023. 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 is a stock property and casualty insurance company domiciled in the State of Nebraska that was organized on November 19, 2014, and commenced business on January 1, 2015. The Articles of Incorporation and By-Laws were approved by the Nebraska Department of Insurance on November 26, 2014. On January 15, 2015, MVS purchased all outstanding stock of



the Company. On November 28, 2016, all stock of MVS was contributed by U.S. Investment Corporation to USLI. USLI owns 100% of MVS, which in turn owns 100% of the Company. As of December 31, 2023, the Company was authorized to write excess & surplus lines (non-admitted) in four (4) states and was licensed to write admitted business in 43 states and the District of Columbia.

## **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 2023 Annual Statement, is represented by the following (subsidiaries are denoted through the use of indentations, and unless otherwise indicated, all subsidiaries are 100% owned):

- Berkshire Hathaway Inc.
- 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

### **Shareholder**

Article V of the Company’s Articles of Incorporation provides that, “the aggregate number of shares the Company shall have authority to issue is 840,000 shares of common stock with a par value of \$5.00 per share.”

As of December 31, 2023, Company records indicated that 840,000 shares of common stock were issued and outstanding, and were owned by the Company’s parent, USLI. There were no changes made to common capital stock during the years of examination.

Gross paid-in and contributed surplus in 2023 was \$54,500,000. A capital contribution of \$7,500,000 was made in 2019. No contributions were made in 2020, 2021, 2022 or 2023. The Company did not pay any cash dividends during the period of examination.

Article I, Section 1.01 of the Company's By-Laws states that, "an 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 fixed by the Board of Directors and designated in the notice or waiver of notice thereof."

### **Board of Directors**

Article II, Section 2.02 of the Company's By-Laws provides that, "...the number of Directors which shall constitute the whole Board shall initially be six (6), but may be changed from time to time by a vote of a majority of the whole Board... Each Director shall hold office until his or her successor is elected and qualified, or until his or her earlier death or resignation or removal... Each Director shall qualify as a Director of the Corporation under the applicable insurance laws of the State of Nebraska and at least one Director shall be resident of the State of Nebraska."

The following persons were serving as Directors at December 31, 2023:

<b><u>Name and Residence</u></b>	<b><u>Principal Occupation</u></b>
Mark Anthony Addiego Columbus, New Jersey	Executive Vice President, Chief Actuarial Officer of the Company
Marc David Hamburg Omaha, Nebraska	Senior Vice President and Chief Financial Officer of Berkshire Hathaway Inc.
Robert Man Cheung Ling Wayne, Pennsylvania	Executive Vice President, Chief Underwriting Officer of the Company
Andrew Michael Mitala Phoenixville, Pennsylvania	President, Chief Underwriting Officer of the USLI

Sasha Dundi Moul  
Collegeville, Pennsylvania

Executive Vice President of the Company

Thomas Patrick Nerney  
Wayne, Pennsylvania

President, Chairman, Chief Executive  
Officer of the Company

Lauren Anne Reiley  
Hatfield, Pennsylvania

Executive Vice President, Chief Operating Officer,  
Counsel of the Company

Steven John Rivituso  
West Chester, Pennsylvania

Executive Vice President, Treasurer  
of the Company

### **Officers**

Article IV, Section 4.01 of the Company's By-Laws provides that, "the Executive Officers of the Corporation may include a President, a Secretary, a Treasurer, one or more Vice Presidents, one or more Assistant Secretaries or Assistant Treasurers and any other offices the Board deems advisable."

The following is a partial listing of Senior Officers elected and serving the Company at December 31, 2023:

#### **Name**

#### **Office**

Thomas Patrick Nerney

President, Chairman, Chief  
Executive Officer

Lauren Anne Reiley

Executive Vice President, Counsel,  
Chief Operating Officer, Corporate Secretary

Steven John Rivituso

Executive Vice President, Treasurer

### **Committees**

Article III, Section 3.01 provides that, "the Board, by resolution adopted by a majority of the whole Board, may designate from among its members one or more committees, each of which shall have such authority of the Board as may be specified in the resolution of the Board designating such committee. The Board shall have power at any time to change the members of any such committee, designate alternate members of any such committee and fill vacancies

therein; and any such committee shall serve at the pleasure of the Board.” No committees were designated by the Board as of December 31, 2023.

## **TRANSACTIONS WITH AFFILIATES**

### **Joint Tax Return Agreement**

On November 17th, 2003, USLI entered into a Joint Tax Return Agreement with U.S. Investment Corporation, MVF, USU, and Berkshire. The agreement states that the Treasurer of Berkshire is authorized to file a joint tax return on behalf of the companies based upon the taxable profit and loss of each company. The amendment on November 9, 2012, added MVS to the agreement. The amendment on January 31st, 2015, added the Company to the agreement.

### **Intercompany Affiliate Service Agreement**

On September 1st, 2015, USLI entered into an Intercompany Affiliate Service Agreement with, and to provide services for, the Company and MVS. The agreement states that USLI is to perform certain administrative and special services, and to share day-to-day operations of certain property, equipment, and facilities of the company’s locations. The services of this agreement are to provide accounting, tax and auditing services including, but not limited to: managements of accounts receivable and premiums; underwriting services including monitoring and auditing business and underwriting on behalf of the companies; advising management as needed on reinsurance assumed and retroceded, claims services including review of claims; functional support services including actuarial services, telecommunications, IT, legal and compliance, payroll and purchasing, policy issuance, and sales and marketing; executive services including input, guidance and strategic direction for the company’s business plan; and personal development services including certain HR services for employee relations, trainings, benefit plans administration and related services.

### **Investment Services Agreement**

Effective January 1, 2007, the Company entered into an Investment Services Agreement with National Indemnity Company (“NICO”), USU, and MVS. This agreement appoints the NICO to be the investment manager, with full authority to buy, sell and effect investment transactions on behalf of the Companies. The companies entered into an Amendment to the Investment Services Agreement as of November 9, 2012, which added MVS to the agreement. The Investment Services Agreement was further amended on October 14, 2015, to add the Company to the agreement.

### **Agreement for Expense Sharing**

Effective September 1, 2015, the Company entered into an Agreement for Expense Sharing with MVS. The agreement states that the Companies are affiliated and share the same offices, facilities, and staff. Under the terms of the agreement, all parties agree to the allocation of general expenses on the basis of the net premium writings of each company, and that the general expenses incurred by the Companies be prorated on the basis of the net premium writings of each Company.

### **Capital and Surplus Maintenance Agreement**

The Company entered into a Capital and Surplus Maintenance Agreement as of September 14th, 2015, and is effective until terminated by either party. The agreement is between U.S. Investment Corporation, referred to as the "Parent", and the Company and MVS, referred to as the "Beneficiaries". This agreement states that the Parent directly and indirectly owns 100% of the issued and outstanding common stock of the Beneficiaries. The Parent also recognizes the importance of obtaining the highest possible ratings for financial strength for the Beneficiaries. During the agreement, the Beneficiaries will have capital and surplus of \$6M in

the Company and \$16M in MVS at all times. Also, during the term of the agreement, the Parent shall cause the Beneficiaries to have the liquidity necessary to enable it to meet its current obligations on a timely basis. The Parent will maintain oversight of, and monitor, the Beneficiaries for the purpose of capital, surplus, and liquidity. The agreement is in writing and was approved by the Board of Directors.

### **TERRITORY AND PLAN OF OPERATION**

As evidenced by current or continuous Certificates of Authority, the Company is licensed to transact admitted business in all states, with the exception of California, Delaware, Hawaii, Louisiana, New York, Pennsylvania, and West Virginia. The Company is also authorized to write surplus lines insurance in California, Delaware, Pennsylvania, and New York.

The Company primarily writes property and casualty insurance, mostly within the surplus lines market, even though the Company mainly holds licenses to write admitted business. As of December 31, 2023, 81.2% (\$8.4 million) of the Company's \$10.3 million Direct Written Premium was surplus lines insurance. The Company distributes 100% of the business through its agents/producers, of which all are also agents/producers for the Company's ultimate parent company, USLI. The business underwritten mimics the products sold by USLI, with the exception that the Company has the ability to write larger risks. As of December 31, 2018, the Company's three (3) major products included fire, other liability – occurrence, and other liability – claims-made. The Company uses a broad network of wholesale brokers and managing general agents to distribute insurance products.

## **REINSURANCE**

### **Ceded**

Effective April 1, 2015, the Company and MVS entered into a perpetual contract with Factory Mutual Insurance Company. The equipment breakdown coverage is a 100% quota share reinsurance treaty that attaches on a “risks attaching” basis with a \$25 million dollar limit.

On December 30, 2022, the Company entered into an intercompany allocation agreement: multi-cedent reinsurance agreement with USLI, USLI Canada Branch, MVF, USU, and MVS, and is effective until terminated. The agreement provides that subscribing reinsurers agree to reinsure the excess liability that may accrue to the companies under their respective policies, contracts, and binders of insurance or reinsurance. All intercompany balances are settled within 90 days of valuation.

Effective January 1, 2023, the Company, MVF, MVS, USLI and USU entered into a one-year Quota Share reinsurance contract with Arch RE, Hannover Rück SE, Partner RE and affiliate, NICO, with a termination date of December 31, 2023. The Company is 90% reinsured against cyber liability for each and every coverage part of each policy, not to exceed \$1,000,000 of net liability for each and every coverage part of each policy ceded. In addition, the reinsurer is obligated to indemnify and reinsure the Company for 90% of any extra-contractual obligation, and loss in excess of policy limits, not to exceed \$1,000,000. This treaty is reinsured by multiple subscribing reinsurers through Guy Carpenter & Company, LLC (“Guy Carpenter”).

Effective April 1, 2023, the Company and MVS entered into a one-year Casualty Excess of Loss & Casualty Excess of Loss Reinsurance contract with reinsurers Arch RE, Hannover Rück SE, and affiliate, NICO. The reinsurers are liable in respect of each policy, each loss, for the ultimate net loss over and above an initial ultimate net loss of \$1,000,000 each policy, each

loss, subject to a limit of liability to the reinsurers of \$5,000,000 each policy, each loss. In addition to ultimate net loss, the reinsurers are liable for and shall pay 90% of any extra contractual obligation and 90% of any loss in excess of policy limits as defined. In no event should the reinsurers' liability for extra contractual obligations and loss in excess of policy limits exceed \$4,500,000 any one loss. This coverage is shared by two reinsurers: 17.50% by Hannover Rück SE and 82.50% by affiliate, NICO. The contract terminates April 1, 2024.

Effective April 1, 2023, the Company and MVS entered into a one-year property per risk excess of loss reinsurance contract. The contract indemnifies in respect of the liability that may accrue as a result of loss or losses under policies classified as property. The treaty is underwritten by multiple reinsurers through Guy Carpenter. The reinsurer shall be liable in respect of each loss, each risk, for the ultimate net loss over and above an initial ultimate net loss of \$1,000,000 each loss, each risk, subject to a limit of liability to the reinsurer of \$4,000,000 each loss, each risk, and further subject to a limit of liability to the reinsurer of \$10,000,000 each loss occurrence involving terrorism and \$15M for all other occurrences. In addition to ultimate net loss, the reinsurer shall be liable for and shall pay 90% of any extra contractual obligation and 90% of any loss in excess of policy limits as defined. For Hannover Rück SE the subscribing interest and liability is 30%, 20% for the TOA Reinsurance Company of America and 50% for affiliate, NICO. The contract terminates April 1, 2024.

Effective January 1, 2023, the Company, USLI, MVF, MVS, and USU entered into a one- year property per occurrence excess of loss reinsurance contract. The Company's retention limits under the first, second, and third layer ultimate net loss in respect of each loss occurrence are \$7,500,000, \$15,000,000, and \$30,000,000, respectively. The reinsurers first, second, and third layer ultimate net loss in respect of each loss occurrence is \$7,500,000, \$15,000,000, and \$20,000,000, respectively. The reinsurers first, second, and third layer ultimate net loss in respect



of all loss occurrences commencing during the term of the contract are \$15,000,000, \$30,000,000, and \$40,000,000, respectively. The subscribing reinsurers interest and liabilities first, second and third layers are: Arch RE 5%; Hannover Rück SE 25%; and NICO 70%. The agreement terminates January 1, 2024.

### **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:

	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
Common Stocks	\$45,051,730	\$19,107,360	\$25,570,080	\$18,709,920	\$27,724,320
Cash, Cash Equivalents & Short-Term Investments	12,551,924	34,093,532	33,205,698	42,517,976	42,860,009
Admitted Assets	70,974,774	71,921,958	78,804,870	74,693,590	84,084,467
Losses	406,115	974,350	2,128,885	5,010,144	6,119,705
Total Liabilities	6,071,828	8,137,126	11,551,844	13,294,595	15,141,549
Capital and Surplus	64,902,946	63,784,832	67,253,027	61,398,994	68,942,922
Premiums Earned	988,419	1,580,923	3,612,765	7,265,982	6,672,831
Net Investment Income	1,277,178	814,227	255,849	806,978	1,804,368
Losses Incurred	530,936	835,477	1,820,264	3,993,820	4,020,076
Net Income	(1,301,157)	(4,236,829)	(1,836,045)	(420,757)	468,944

## **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, 2023. 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.

### **BALANCE SHEET** **December 31, 2023**

<b><u>Assets</u></b>		<b><u>Assets Not</u></b>	<b><u>Net</u></b>
	<b><u>Assets</u></b>	<b><u>Admitted</u></b>	<b><u>Admitted</u></b>
			<b><u>Assets</u></b>
Bonds	\$10,990,019		\$10,990,019
Common stocks	27,724,320		27,724,320
Cash, cash equivalents and short-term investments	<u>42,860,009</u>		<u>42,860,009</u>
Subtotal, cash and invested assets	\$81,574,348		\$81,574,348
Investment income due and accrued	109,664		109,664
Uncollected premiums	932,527	\$100,524	832,003
Amounts recoverable from reinsurers	1,552,546		1,552,546
Other than invested assets	<u>15,906</u>	<u>                    </u>	<u>15,906</u>
Totals	<u>\$84,184,991</u>	<u>\$100,524</u>	<u>\$84,084,468</u>

**Liabilities, Surplus, and Other  
Funds**

Losses	\$ 6,119,705
Loss adjustment expenses	1,264,262
Taxes, licenses and fees	68,258
Current federal and foreign income taxes	121,122
Net deferred tax liability	4,739,209
Unearned premiums	2,184,258
Ceded reinsurance premiums payable	608,639
Payable to parent, subsidiaries and affiliates	36,093
Total liabilities	<u>\$15,141,546</u>
Common capital stock	\$ 4,200,000
Gross paid in and contributed surplus	54,500,000
Surplus	<u>10,242,922</u>
Total capital and surplus	<u>\$68,942,922</u>
Totals	<u>\$84,084,468</u>

## **STATEMENT OF INCOME – 2023**

### **Underwriting Income**

Premiums earned	\$ 6,672,831
Losses incurred	\$ 4,020,076
Loss adjustment expenses incurred	839,273
Other underwriting expenses incurred	<u>3,054,790</u>
Total underwriting deductions	<u>\$ 7,914,138</u>
Net underwriting gain	<u>\$(1,241,308)</u>

### **Investment Income**

Net investment income earned	<u>\$ 1,804,368</u>
Net investment gain	<u>\$ 1,804,368</u>

### **Other Income**

Finance and service charges	<u>\$ 265</u>
Total other income	<u>\$ 265</u>
Net income before dividends to policyholders and federal income taxes	\$ 563,325
Federal income taxes incurred	<u>94,381</u>
Net income	<u>\$ 468,944</u>

### **CAPITAL AND SURPLUS ACCOUNT**

	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
Capital and surplus, beginning	\$47,285,684	\$64,902,946	\$63,784,833	\$67,253,026	\$61,398,997
Net income	\$ (1,301,157)	\$ (4,236,829)	\$ (1,836,045)	\$ (420,757)	\$ 468,944
Change in net unrealized capital gains	10,804,388	3,164,203	5,105,549	(5,419,526)	7,121,376
Change in net deferred income tax	23,510	46,766	105,218	41,046	(4,307)
Change in non-admitted assets	590,521	(92,253)	93,471	(54,792)	(42,085)
Surplus; paid-in	7,500,000				
Net change for the year	<u>\$17,617,262</u>	<u>\$(1,118,113)</u>	<u>\$ 3,468,193</u>	<u>\$(5,854,029)</u>	<u>\$ 7,543,928</u>
Capital and surplus, ending	<u>\$64,902,946</u>	<u>\$63,784,833</u>	<u>\$67,253,023</u>	<u>\$61,398,997</u>	<u>\$68,942,925</u>

### **EXAMINATION CHANGES IN FINANCIAL STATEMENTS**

Unassigned funds (surplus) in the amount of \$10,242,922, as reported in the Company's 2023 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:

**Board of Directors – Quarterly Approval of Investment Transactions** – It is recommended that the Company provide the Board of Directors with a listing of all quarterly transactions for review and approval. Approval by the Board of Directors should be maintained via the Board of Director meeting minutes.

**Action:** The Company has complied with this recommendation.

#### **COMMENTARY ON CURRENT EXAMINATION FINDINGS**

There are no comments or recommendations that have been made as a result of this examination

#### **SUMMARY OF COMMENTS AND RECOMMENDATIONS**

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

## **ACKNOWLEDGMENT**

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

In addition to the undersigned, Caden Boesiger, AFE and Michael Sullivan, CFE, Financial Examiners; Gary Evans, CFE, CISA, Information Systems Specialist all with the Nebraska Department of Insurance, Clarissa Crisp, CFE, Kyra Brown, MBA, ARC, Daniel Ward, Financial Examiners, and Dave Wolfe, ACAS, MAAA, and Joe Healey, Actuarial Examiners; with Baker Tilly Advisory Group, LP; and Financial Examiners, Information Specialists, and Actuarial Examiners with or contracted North Dakota Insurance Department participated in this examination and assisted in the preparation of this report.

Respectfully submitted,



---

Jessie L. Adamson, CFE, CISA  
Examiner-in Charge  
Baker Tilly Advisory Group, LP Representing the  
Department of Insurance  
State of Nebraska



---

Skyler Lawyer, CFE  
Assistant Chief Examiner  
Department of Insurance  
State of Nebraska

State of Idaho,

County of Ada,

Jessie Adamson, 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 United States Liability Insurance Company, Mount Vernon Fire Insurance Company, Mount Vernon Specialty Insurance Company and Radnor Specialty 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 the United States Liability Insurance Company, Mount Vernon Fire Insurance Company, Mount Vernon Specialty Insurance Company and Radnor Specialty 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.

*Jessie Adamson*

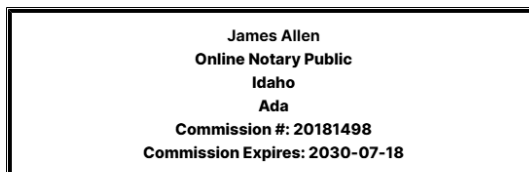
Examiner-in-Charge's Signature

Subscribed and sworn before me by Jessie Adamson on this 18 day of JUNE, 2025.

(SEAL)

*James Allen*

Notary Public



Notarized online using audio-video communication

My commission expires 07/18/2030 [date].