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

STONETRUST PREMIER CASUALTY 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.

GREAT SEAL OF THE STATE OF NEBRASKA
EQUALITY BEFORE THE LAW
MARCH 1ST 1867

DIRECTOR OF INSURANCE

CERTIFICATE OF ADOPTION

Notice of the proposed report for the financial examination of

STONETRUST PREMIER CASUALTY INSURANCE COMPANY

5615 CORPORATE BOULEVARD, SUTE 800

BATON ROUGE, LA 70808

dated as of December 31, 2024, verified under oath by the examiner-in-charge on June 4, 2026, and received by the company on June 8, 2026, has been adopted without modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3) (a).

Dated this 22nd day of June 2026.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Tadd K. Wegner

Tadd Wegner, CFE
Chief Financial Regulator

STATE OF NEBRASKA

Department of Insurance

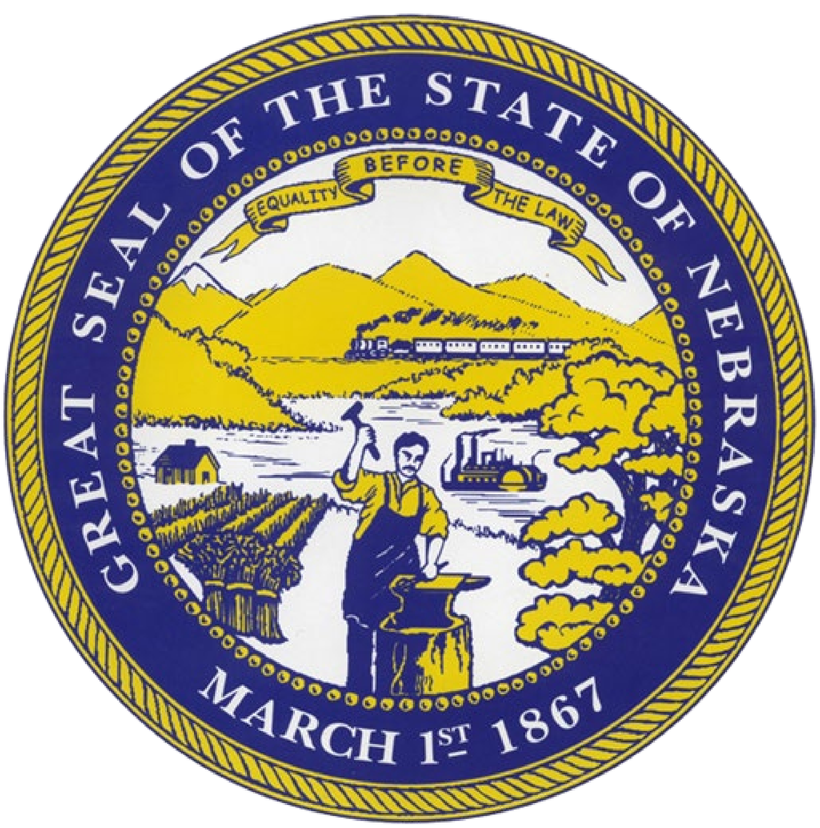
EXAMINATION REPORT

OF

STONETRUST PREMIER CASUALTY INSURANCE COMPANY

as of

December 31, 2024



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Baton Rouge, Louisiana
May 14, 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:

STONETRUST PREMIER CASUALTY INSURANCE COMPANY

which has its Statutory Home Office located at

13810 FNB Pkwy, Suite 200
Omaha, Nebraska 68154

with its Principal Executive Office located at

5615 Corporate Boulevard, Suite 800
Baton Rouge, Louisiana 70808

(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 State of Nebraska participated in this examination and assisted in the preparation of this report.

The same examination staff conducted a concurrent financial condition examination of the Company's parent, Stonetrust Commercial Insurance Company (Stonetrust Commercial).

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 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, as was the Company's defined contribution 401(k) plan. 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 EisnerAmper, LLP and Forvis Mazars, 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 auditors' 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 as a Nebraska domestic stock insurance company on November 30, 2018, receiving its Certificate of Authority to write workers' compensation insurance on May 3, 2019. The Company began writing business on January 1, 2022. The Company was formed as a wholly owned insurance company subsidiary of Stonetrust Commercial.

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 represented by the following (subsidiaries are denoted through the use of indentations and, unless otherwise indicated, all subsidiaries are 100% owned):

- Francis Chou
    - 2665411 Ontario Inc.
    - Chou Associates Management Inc.
        - Wintaai Holdings Ltd. (80.3% owned by Chou Associates Management Inc.; 3.0% by 2665411 Ontario Inc.; and 16.7% by other investors)
            - Wintaai America Inc. (99% owned by Wintaai Holdings Ltd.)
                - Stonetrust Commercial Insurance Company (99.9% owned by Wintaai America, Inc. and 0.1% by certain Officers and Directors of the Company)
                    - Stonetrust Premier Casualty Insurance Company
                - Loggerhead Holding Company LLC (90% owned by Wintaai America Inc.; 10% other investors)
                    - Loggerhead Risk Management, LLC
                    - Loggerhead Risk Management Services Holding Corp
                    - Loggerhead Risk Management Services, LLC (99% owned by Loggerhead Holding Company LLC

and 1% by Loggerhead Risk Management Services Holding Corp)

Shareholder

Article V of the Company's Articles of Incorporation states that, "the aggregate number of shares which the Corporation shall have the authority to issue is ONE THOUSAND (1,000) shares of common stock of Two Thousand Five Hundred Dollars ($2,500) par value per share." At December 31, 2024, Company records indicate that 1,000 shares of common stock were issued and outstanding, all of which were owned by Stonetrust Commercial.

Article II(a) of the Company's By-Laws states that, "the annual meeting of Shareholders shall be held on or before the 30th day of June in each and every calendar year for the purpose of receiving the report of its Officers and Directors, electing Directors, and for the transaction of such other business as may come before the meeting."

Board of Directors

Article III(a) of the Company's By-Laws states that, "the business and affairs of the Corporation shall be managed by its Board of Directors." Article III(b) of the Company's By-Laws further states that, "the number of Directors of the Corporation shall be no fewer than five (5), the exact number to be determined by the Shareholders. Each Director shall hold office until the next annual meeting of Shareholders, and until his or her successor shall have been elected and qualified, or until his or her death, resignation or removal. Each Director shall qualify as a Director of the Corporation under applicable insurance laws of the State of Nebraska, and at least one Director shall be a resident of the State of Nebraska. Subject to the laws of the State of Nebraska, the permissible number of Directors may be increased or decreased from time to time by amendment to these By-Laws, but no decrease shall have the effect of shortening the term of any incumbent Director."

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

Name and Residence	Principal Occupation
Francis S. M. Chou Toronto, ON Canada	President, Chief Executive Officer, Chou Associates Management Inc.
Michael G. Dileo Baton Rouge, LA	President, Chief Executive Officer, Stonetrust Commercial Insurance Company, and Stonetrust Premier Casualty Insurance Company
David A. Fluker Port Allen, LA	President/Owner, Fluker Farms
Lawrence F. Harr Omaha, NE	Attorney, Lamson Dugan & Murray, LLP
Grady R. Hazel, Chairman* Baton Rouge, LA	Certified Public Accountant, Grady R. Hazel CPA

* Mr. Hazel passed away on February 19, 2026 and has not been replaced as of the date of this report.

Officers

Article IV(a) of the Company's By-Laws states that, "the Officers of the Corporation shall be a President, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other Officers and Assistant Officers as may be deemed necessary, including Chair of the Board or one or more Vice Presidents, may be elected or appointed by the Board of Directors. All executive Officers shall be persons who are known to be capable of running the affairs of an insurance company and who otherwise qualify as executive Officers of an insurance company under Nebraska insurance law. Any two (2) or more offices may be held by the same person except as may otherwise be required by law."

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

Name	Office
Michael G. Dileo	President and Chief Executive Officer
M. Shane Treigle	Treasurer and Chief Financial Officer
Melanie J. Forbes	Secretary, General Counsel and Vice President of Claims
Robert F. Wolf	Vice President and Chief Actuary

Committees

The Company's Articles of Incorporation and By-Laws do not address required or allowed Board Committees. As of the examination date, the Company had an Audit Committee and an Investment Committee.

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

David A. Fluker	Grady R. Hazel
Lawrence F. Harr	

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

Michael G. Dileo	Francis S. M. Chou
M. Shane Treigle	

TRANSACTIONS WITH AFFILIATES

Investment Management Agreement

Effective July 1, 2019, the Company became a participant in an Investment Management Agreement with Chou Associates Management Inc., whereby Chou Associates Management Inc. provides investment supervision and direction for all investments to the Company. The Agreement was not disapproved by the Nebraska Department of Insurance on July 17, 2019. The Company reported investment management expenses of $2,068 in 2024.

Tax Sharing and Allocation Agreement

Effective January 1, 2019, the Company's federal income tax return was consolidated with Stonetrust Commercial and Stonetrust Realty, LLC. Stonetrust Realty, LLC was dissolved effective July 18, 2019. Under the terms of the Tax Sharing and Allocation Agreement, Stonetrust Commercial files consolidated federal tax returns for the consolidated group. The consolidated tax liability is allocated among affiliates on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return. The agreement was not disapproved by the Nebraska Department of Insurance on July 1, 2019.

Intercompany Management Cost Sharing and Cost Allocation Agreement

Effective January 1, 2020, Stonetrust Commercial and the Company entered into a Cost Sharing and Cost Allocation Agreement. Under the Agreement, Stonetrust Commercial provides certain goods, third party services, management, and other direct services to the Company since it has no employees. The Company is charged for its allocable share of Stonetrust Commercial's actual costs, and a monthly management services charge. The charge is based on the greater of monthly direct gross earned premium times net expense ratio plus 5% or $5,000. The agreement was not disapproved by the Nebraska Department of Insurance on October 30, 2019. The Company reported expenses under the Agreement of $278,122 in 2024.

TERRITORY AND PLAN OF OPERATION

As evidenced by current or continuous Certificates of Authority, the Company is licensed to transact business in the following nine states:

Arkansas	Louisiana	Missouri	Oklahoma	Texas
Iowa	Mississippi	Nebraska	Tennessee	

The Company is a monoline carrier writing workers' compensation insurance and did not start actively writing business until January 1, 2022. The Company was formed to become an additional rating tier for its parent, Stonetrust Commercial, to increase renewal retentions and reach potential new policyholders. As of the date of this examination, the Company was not actively writing in the states of Iowa, Nebraska, or Texas.

The Company writes its business under the independent agent model and has contracts with approximately 43 agencies as of December 31, 2024.

REINSURANCE

Ceded

Effective April 1, 2020, the Company and Stonetrust Commercial entered into an Intercompany Quota Share Reinsurance Contract. Under the agreement, the Company will cede 100% of its gross premium, losses and expenses to Stonetrust Commercial when it starts writing business. The agreement was not disapproved by the Nebraska Department of Insurance on February 18, 2020.

General

The contract reviewed contained standard insolvency, arbitration, errors and omissions, and termination clauses where applicable. The contract 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	$ 927,586	$ 995,725	$1,998,268	$1,000,461
Cash and cash equivalents	4,411,355	4,560,583	3,856,348	5,062,629
Admitted assets	5,363,178	6,032,593	6,594,404	6,784,275
Total liabilities	4,426	635,920	1,039,595	1,031,216
Capital and surplus	5,358,752	5,396,673	5,554,809	5,753,059
Net investment income	12,203	48,001	199,520	250,949
Net income	(72,681)	37,921	158,922	198,608

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	$1,000,461		$1,000,461
Cash & cash equivalents	5,062,629		5,062,629
Subtotal, cash and invested assets	$6,063,090		$6,063,090
Investment income due and accrued	8,754		8,754
Premiums and considerations:			
Uncollected premiums & agent's balances	14,775		14,775
Deferred premiums, agent's balances	622,510		622,510
Reinsurance:			
Amounts recoverable from reinsurers	67,542		67,542
Guaranty funds receivable or on deposit	7,604		7,604
Total assets	$6,784,275		$6,784,275

Liabilities, Surplus, and Other Funds

Commissions payable, contingent commissions and other similar charges	$ 98,143
Other expenses	732
Taxes, licenses and fees	21,212
Current federal and foreign income taxes	52,341
Net deferred tax liability	1,144
Ceded reinsurance premiums payable	736,730
Payable to parent, subsidiaries and affiliates	78,140
Policyholder security deposits	42,774
Total liabilities	$1,031,216
Common capital stock	$2,500,000
Gross paid in and contributed surplus	3,000,000
Unassigned funds (surplus)	253,059
Total capital and surplus	$5,753,059
Total liabilities, capital and surplus	$6,784,275

STATEMENT OF INCOME – 2024

Investment Income

Net investment income earned	$250,949
Net investment gain	$250,949
Net income before federal income taxes	$250,949
Federal income taxes incurred	52,341
Net income	$198,608

CAPITAL AND SURPLUS ACCOUNT

	2021	2022	2023	2024
Capital and surplus, beginning	$5,431,433	$5,358,752	$5,396,673	$5,554,809
Net income	$ (72,681)	$ 37,921	$ 158,922	$ 198,608
Change in net deferred income tax			(786)	(358)
Net change for the year	$ (72,681)	$ 37,921	$ 158,136	$ 198,250
Capital and surplus, ending	$5,358,752	$5,396,673	$5,554,809	$5,753,059

EXAMINATION CHANGES IN FINANCIAL STATEMENTS

Unassigned funds (surplus) in the amount of $253,059, 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:

> **Custodial Agreements** – It is recommended that the Company's Board of Directors or Investment Committee authorize the custodial agreements by resolution.
>
> **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

There are no comments or recommendations that 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, Kristina Sampson, CPA, and Emma Muambo, CFE (Fraud), Financial Examiners; Stefan Obereichholz-Bangert, AES, CISA, CISM, and Dylan Smith, Information Systems Specialists, all with the firm Noble Consulting Services, Inc.; and Solomon Frazier, FSA, FCAS, MAAA, Actuarial Examiner, with Taylor-Walker Consulting, LLC; contracted by the Nebraska Department of Insurance; participated in this examination and assisted in the preparation of this report.

Respectfully submitted,

Shannon Hopkins

Shannon Hopkins, CFE
Examiner-in Charge
Noble Consulting Services, Inc.
Representing the Department of Insurance
State of Nebraska

Skyler Lawyer

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

State of Pennsylvania,

County of Lackawanna,

Shannon Hopkins, 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 Stonetrust Commercial Insurance Company and Stonetrust Premier 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 report, and the examination of Stonetrust Commercial Insurance Company and Stonetrust Premier Casualty 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.

Shannon Hopkins
Examiner-in-Charge's Signature

Subscribed and sworn before me by Deborah Estep on this 4 day of June, 2026.

Deborah Estep
Notary Public

My commission expires 9-29-29 [date].

Commonwealth of Pennsylvania – Notary Seal
Deborah Estep, Notary Public
Lackawanna County
My Commission Expires September 29, 2029
Commission Number 1462948