

CERTIFICATION

September 30, 2015

I, Bruce R. Ramage, Director of Insurance of the State of Nebraska, do hereby certify that the attached is a full and correct copy of the

Qualifying Financial Examination Report of
HAYMARKET INSURANCE COMPANY

as of

September 30, 2015

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE
SEP 30 2015
FILED

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.



Bruce R. Ramage
DIRECTOR OF INSURANCE

CERTIFICATE OF ADOPTION

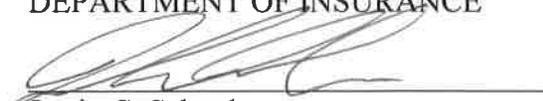
Take notice that the proposed report of the qualifying financial examination of

HAYMARKET INSURANCE COMPANY

dated as of September 30, 2015, verified under oath by the examiner-in-charge on September 30, 2015, and received by the company on September 30, 2015, has been adopted without modification as the final report pursuant to Neb. Rev. Stat. § 44-5906(3)(a).

Dated this 30 day of September, 2015.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE


Justin C. Schrader
Chief Financial Examiner

STATE OF NEBRASKA

Department of Insurance

QUALIFYING FINANCIAL EXAMINATION

OF

HayMarket Insurance Company

as of

September 30, 2015



Lincoln, Nebraska
September 30, 2015

Honorable Bruce R. Range
Director of Insurance
Nebraska Department of Insurance
941 "O" Street, Suite 400
Lincoln, Nebraska 68508

Sir:

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

HayMarket Insurance Company

which has its Home Office located at

222 South 15th Street, Suite 1202
Omaha, NE 68102

with its Administrative Office located at

415 Bedford Road
Pleasantville, NY 10570

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

SCOPE OF EXAMINATION

The Company has made an application for a Certificate of Authority to transact the business of insurance as provided under Nebraska Revised Statute §44-201(5) (property and casualty lines of insurance). In order to determine whether such authority should be granted, this examination has been conducted to ascertain if the Company has met the capital, surplus, and organizational requirements set forth by Nebraska Law.

HISTORY

The Articles of Incorporation of the Company were originally filed with the Secretary of State of the State of Nebraska on August 25, 2015.

The Articles of Incorporation were executed by the following Incorporators:

Name

David Charsky
Annie Elliott
Kenneth King
Mike Minnich
Richard Vecchiolla

CAPITAL STOCK

The Incorporators authorize the Company to issue 1,000,000 shares of capital stock to HayMarket Holdings I LLC (“HM Holdings”), a Delaware limited liability Company, for consideration of \$5.00 per share, or a total of \$5,000,000 and contemporaneous with such issuance, the Incorporators resigned from the Company in that capacity.

MANAGEMENT

Shareholders

The By-Laws of the Company provide that, “the annual meeting of the shareholders of the Corporation for the purpose of electing Directors and the transaction of such other proper business as may come before such meetings may be held at such time, date and place as the Board shall determine by resolution on or before July 1 of each calendar year.”

Board of Directors

The By-Laws provide that the affairs of the Company shall be conducted by a Board of Directors and “the number of directors of the Corporation shall be not less than five or more than nine. The first Board of Directors shall be elected by the shareholders, and hereafter the Board of Directors shall be elected by the shareholders at the annual meeting of shareholders of the Corporation. Each Director shall hold office until the next annual meeting of shareholders and until his successor shall have been elected and qualified.”

In lieu of a meeting, an action of written consent was taken by the incorporators of the Company, dated September 30, 2015, that the following persons be elected to the Board of Directors:

<u>Name</u>	<u>Address</u>
Annie Elliott	Lincoln, Nebraska 68510
Kenneth King	Pleasantville, New York 10570
Michael Saliba	Lake Forest, Illinois
Jeremiah Sikowski	New York, New York
Richard Vecchiolla	New York, New York

Officers

According to the By-Laws, “the Officers of the Corporation shall be a Chief Executive Officer, a President, a Vice President, a Secretary/Treasurer, one or more Vice-Presidents may also be appointed from time-to-time by the Board of Directors, each of whom shall elected by the Board of Directors. Such other Officers and assistant Officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any

two or more offices may be held by the same person, except the offices of CEO and Secretary.”

The following persons were elected as officers of the Company to the positions adjacent to their names below, dated September 29, 2015:

<u>Name</u>	<u>Position</u>
Richard Vecchiolla	President
Mike Minnich	Vice President
Annie Elliott	Secretary & Treasurer

CORPORATE RECORDS

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

Pursuant to Nebraska Revised Statute 44-205.01(b), the Articles state that the registered office of the Company shall be located at 222 South 15th Street, Suite 1202, Omaha, NE 68102.

FINANCIAL STATEMENT

The following statements reflect the Company’s financial condition as of September 30, 2015:

BALANCE SHEET
September 30, 2015

Assets

Cash and short-term investments	<u>\$5,000,000</u>
Total assets	<u>\$5,000,000</u>

Liabilities, Capital and Surplus

Payable to parent	<u>\$ 500,000</u>
Total liabilities	<u>\$ 500,000</u>
Common capital stock	1,000,000
Gross paid in and contributed surplus	4,000,000
Unassigned funds	<u>(500,000)</u>
Total capital and surplus	<u>\$4,500,000</u>
Total liabilities, capital and surplus	<u>\$5,000,000</u>

ASSETS

Cash, cash equivalents, and short-term investments **\$5,000,000**

As of September 30, 2015 the Company had a total of \$5,000,000 in cash and short-term investments. This asset was verified by confirming the accounts with the receiving banks and by review of the funds transfer verification.

LIABILITIES, CAPITAL AND SURPLUS

Payable to Parent **\$500,000**

The Company has a \$500,000 payable to HM Holdings as of September 30, 2015. The amount is to due start-up costs incurred in the formation of the Company.

Common Capital Stock, Issued, and Outstanding **\$1,000,000**

The Company issued 1,000,000 outstanding shares at the par value of \$1.00 a share, which was purchased by HM Holdings on September 30, 2015.

Paid In and Contributed Surplus

\$4,000,000

This amount was paid by HM Holdings on September 30, 2015. The contribution was pursuant to a resolution of the Company's Board of Directors, and was confirmed by reviewing the Company's bank statement and confirmation received from the bank.

Unassigned Funds

\$(500,000)

As of September 30, 2015 the Company's unassigned funds totaled \$(500,000).

GENERAL COMMENTS

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

An affidavit signed by an incorporator of the Company stating that none of the assets of the Company have been pledged or in any manner impaired, and further state that all of the known expenses unpaid are estimated to be \$500,000, have been obtained.

CONCLUSION

Capital, surplus, and organizational filing requirements have been met by the Company as required by the Nebraska Insurance Statutes. All items reviewed appeared properly stated. It is recommended that a Certificate of Authority be granted to this Company to transact the business of insurance as provided under Nebraska Revised Statute §44-201(1).

Respectfully submitted,

A handwritten signature in cursive script that reads "Erin Garvin". The signature is written in black ink and is positioned above a horizontal line.

Erin Garvin, CFE
Financial Examiner
Nebraska Department of Insurance

State of Nebraska,

County of Lancaster,

Erin Garvin, being duly sworn, states as follows:

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

Erin Garvin
Examiner-in-Charge's Signature

Subscribed and sworn before me by ERIN GARVIN on this 30 day of SEPT, 2015.



(SEAL)

Deborah S. Bush
Notary Public

My commission expires July 21, 2018 [date].