Indianapolis, Indiana 46240	
500 East 96th Street, Suite 100	)
Infinity Standard Insurance Company	)
IN THE MATTER OF:	)
COUNTY OF MARION )	COMMISSIONER OF INSURANCE
STATE OF INDIANA ) SS:	BEFORE THE INDIANA
STEATER AND INTO A NEW YORK	

Examination of: Infinity Standard Insurance Company

#### NOTICE OF ENTRY OF ORDER

Enclosed is the Final Order entered by Amy L. Beard, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of Infinity Standard Insurance Company, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as sent to you on May 26, 2023, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of Infinity Standard Insurance Company shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

Date

Roy Eft
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 7019 0700 0000 3590 2775

Infinity Standard Insurance (	Company	)
COUNTY OF MARION  IN THE MATTER OF:	)	COMMISSIONER OF INSURANCE
	) SS:	
STATE OF INDIANA	)	BEFORE THE INDIANA

Examination of: Infinity Standard Insurance Company

#### FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the Infinity Standard Insurance Company (hereinafter "Company") for the time period January 1, 2017 through December 31, 2021.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter "Commissioner") by the Examiner on April 13, 2023.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on May 26, 2023 and was received by the Company on May 26, 2023.

The Company did not file any objections.

NOW THEREFORE, based on the Verified Report of Examination, I hereby make the following **FINDINGS**:

- 1. That the Verified Report of Examination is a true and accurate report of the financial condition and affairs of the Infinity Standard Insurance Company as of December 31, 2021.
- 2. That the Examiner's Recommendations are reasonable and necessary in order for the Infinity Standard Insurance Company to comply with the laws of the State of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

- 1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.
- 2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.
- 3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed this 26 day of

2023

Amy L. Beard

**Insurance Commissioner** 

Indiana Department of Insurance

#### **ABOUT AFFIRMATIONS**

The following pages for affirmations need to be signed by each Board Member and returned to the Indiana Department of Insurance within thirty (30) days in accordance with I.C. §27-1-3.1-12(b).

If your affirmations list individuals that are no longer on your Board of Directors, you may simply retype the form on plain white paper with the correct names and a line to the right for signature. If the names are misspelled, you may do the same, simply re-type the corrected form with a line to the right for signature.

Should you have any questions or difficulties with these forms or you require additional time past the thirty (30) day requirement, please do not hesitate to contact this department at (317) 232-2390.

## STATE OF INDIANA

## **Department of Insurance**

## REPORT OF EXAMINATION

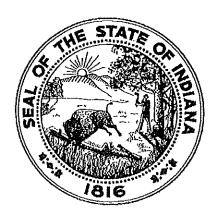
## **OF**

## INFINITY STANDARD INSURANCE COMPANY

NAIC Co. Code 12599 NAIC GROUP CODE 0215

As of

December 31, 2021



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## STATE OF INDIANA



ERIC J. HOLCOMB, GOVERNOR

Indiana Department of Insurance

Amy L. Beard, Commissioner 311 W. Washington Street, Suite 103 Indianapolis, Indiana 46204-2787 Telephone: 317-232-2385

Fax: 317-232-5251 Website: in.gov/idoi

April 13, 2023

Honorable Amy L. Beard, Commissioner Indiana Department of Insurance 311 West Washington Street, Suite 300 Indianapolis, Indiana 46204-2787

#### Dear Commissioner:

Pursuant to the authority vested in Appointment Number 4107, an examination has been made of the affairs and financial condition of:

> **Infinity Standard Insurance Company** 500 East 96th Street, Suite 100 Indianapolis, Indiana 46240

hereinafter referred to as the "Company", or "Standard", an Indiana domestic stock, property and casualty insurance company. The examination was conducted remotely with assistance from the Company in Chicago, Illinois, the corporate headquarters.

The Report of Examination, reflecting the status of the Company as of December 31, 2021, is hereby respectfully submitted.

#### SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI) and covered the period from January 1, 2012 through December 31, 2016. The present risk-focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2017 through December 31, 2021, and included any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination.

The examination was conducted in accordance with the NAIC Financial Condition Examiners Handbook (Handbook). The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

The Illinois Department of Insurance called the examination in accordance with the Handbook guidelines, through the NAIC's Financial Examination Electronic Tracking System. The INDOI served as the facilitating state on the examination, Texas Department of Insurance, and the Ohio Department of Insurance served as participants.

Robert P. Daniel, ACAS, MAAA of Merlinos & Associates, Inc. provided all actuarial services throughout the examination and conducted a review of the Company's actuarial related risks as of December 31, 2021.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact, as mentioned in the Indiana Code (IC) 27-1-3.1-10 and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

#### HISTORY

In November 1987, the Company was incorporated as Windsor Insurance Company, an Indiana domestic insurer. Upon its capitalization, 100% of its authorized capital stock was purchased by Southeastern Fidelity Insurance Company (SFIC), a wholly owned subsidiary of Moore Group, Inc. (MGI). At the time, the Company was an indirect, wholly owned subsidiary of American Financial Group, Inc. (AFG). Effective February 1989, SFIC merged into the Company and MGI became the sole shareholder of the Company. In July 1990, MGI contributed 100% of the common stock of the Company to Great American Insurance Company (GAIC). GAIC simultaneously contributed 100% of the common stock of MGI to the Company, making GAIC the direct parent of the Company.

On December 31, 1990, GAIC sold all of the common stock of the Company to Pennsylvania Company (PC). Effective October 2002, PC merged into American Premier Underwriters, Inc. (APU) and the Company became a direct, 100% owned subsidiary of APU. Effective December 31, 2002, APU contributed all of the issued and outstanding common stock of the Company to Infinity Property and Casualty Corporation (IPCC). IPCC was formed to own all of the personal lines agency business of AFG for the purpose of making it available in an initial public offering.

On February 19, 2003, AFG sold 61% of IPCC in an initial public offering. Effective December 17, 2003, AFG sold its remaining shares of the issued and outstanding common stock of IPCC through a secondary public offering. As a result, AFG ceased to be the ultimate controlling entity and also ceased to be an affiliate of IPCC and its subsidiaries.

Effective January 1, 2005, IPCC contributed all of the common capital stock of the Company to Infinity Insurance Company (IIC). IIC is an Indiana domestic insurance company and a wholly-owned subsidiary of IPCC. Effective January 12, 2006, the Company changed its name to Infinity Standard Insurance Company.

IPCC operated as a publicly traded company until July 2, 2018, at which time IPCC was acquired by Kemper Corporation (Kemper). Kemper is a Delaware corporation with its principal offices in Chicago, Illinois; it is publicly traded with its shares listed on the New York Stock Exchange.

IPCC is a subsidiary holding company of Kemper and, through its twelve (12) direct and indirect insurance company subsidiaries, is engaged primarily in the private passenger automobile insurance business. IPCC is the sole shareholder of IIC.

#### CAPITAL AND SURPLUS

The authorized capital of the Company shall consist of 3 million shares of common stock with a \$1 par value. As of December 31, 2021, IIC owned 2.5 million issued and outstanding shares of the Company's common stock. The Company has no shares of preferred stock outstanding.

#### DIVIDENDS TO STOCKHOLDERS

The Company paid the following dividends to IIC during the examination period:

Year	Total		Ordinary Dividends		Extraordinary Dividends	
2021	\$ -	\$	P4 1	\$	<b>,</b>	
2020	· <del>-</del>		-		-	
2019	200,000		200,000		-	
2018			-		-	
2017	 180,000		180,000			
Total	\$ 380,000	\$	380,000	\$	-	

In accordance with IC 27-1-23-4(h), the payment of dividends to holding companies or affiliated insurers may not exceed the greater of 10% of the prior year's surplus or the net income of such insurer of the prior year. The Company did not pay any extraordinary dividends during the examination period. Other dividends paid during the examination period were ordinary in nature and did not require prior regulatory approval. In accordance with IC 27-1-23-1.5, the Company notified the INDOI of all declared dividends to the parent during the examination period.

#### TERRITORY AND PLAN OF OPERATION

The Company's ultimate parent company, Kemper, is a large insurance holding group that is engaged, through its subsidiaries, in property and casualty and life and health insurance businesses. Kemper conducts its operations

through three (3) operating segments: Specialty Property & Casualty Insurance (Specialty), Preferred Property & Casualty Insurance, and Life & Health Insurance. The IPCC companies are part of Kemper's Specialty segment.

Kemper's subsidiaries employ approximately 10,300 associates supporting their operations, of which approximately 5,775 are employed in the Specialty segment. The Specialty segment distributes their products primarily through independent agents and brokers who are paid commissions for their services. The Company provides automobile insurance with a concentration in non-standard private passenger auto insurance.

Standard is licensed in fifteen (15) states but only writes in two (2) states with Connecticut being the largest with 99.3% of the premium. The next largest state is Arizona with 0.7%. No direct premium is written in Indiana.

#### GROWTH OF THE COMPANY

The following table summarizes the financial results of the Company during the examination period:

Year	Admitted Assets	Liabilities	Surplus and Other Funds	Premiums Earned	Net Income
2021	\$ 5,863,625	\$ 126,778	\$ 5,736,848	-	\$ 1,118
2020	5,731,902	(841)	5,732,743	-	55,674
2019	7,029,295	1,449,113	5,580,182	· <u>-</u>	63,667
2018	7,147,495	1,434,902	5,712,593	1,336,744	225,972
2017	7,216,233	1,689,559	5,526,674	1,371,336	108,118

The decrease in net admitted assets 2020 was primarily due to the transfers that occurred after the acquisition by Kemper, specifically the quota share agreement and the associated transactions.

Net income between 2017 and 2018 is not comparable due to the purchase by Kemper in 2018 and the related operational changes that occurred under new ownership.

Pursuant to the 100% quota share reinsurance agreement with an affiliate, premiums were 100% ceded and reported net premiums were zero for 2019, 2020 and 2021. In addition, beginning in 2019, as losses, loss adjustment and underwriting expenses were fully ceded under the terms of the agreement, Net Income is derived solely from investment income.

#### MANAGEMENT AND CONTROL

#### Directors

The Articles of Incorporation provide that the corporate powers of the Company are to be exercised by a Board of Directors (Board). The number of directors of the Company shall be not less than seven (7) nor more than twenty-one (21), such number to be fixed from time to time by resolution adopted by a vote of a majority of the Board or by the Shareholders. The annual meetings of the Shareholders shall be held at the principal office of the Company or at such other place and at such time as the Board may designate. As an Indiana domiciled company at least one (1) director is required to be a resident of Indiana.

The following is a listing of persons serving as directors as of December 31, 2021, and their principal occupations as of that date:

Name and Address	Principal Occupation
Bradley Camden	Senior Vice President and Treasurer
Wheaton, Illinois	Merastar Insurance Company
Brenda Freije	Lawyer and Consultant
Indianapolis, Indiana	Charitable Allies
Aditya Mahajan	Senior Vice President, Finance Strategic Planning
Long Grove, Illinois	and Execution
,	Merastar Insurance Company
Michael Marinaccio	Vice President, Corporate Development
Hinsdale, Illinois	Merastar Insurance Company
Patrick Theiler	Senior Vice President and Chief Financial Officer
Chicago, Illinois	Merastar Insurance Company
Timothy Tuller	Senior Vice President and Chief Financial Officer,
Rocky Hill, Connecticut	Property and Casualty
,	Merastar Insurance Company
Matthew Varagona	Senior Vice President
Birmingham, Alabama	Merastar Insurance Company

#### Officers

The Bylaws state that the elected officers of the Company shall consist of a Chairman of the Board and a President (each of whom shall be a director), one (1) or more Vice Presidents, a Treasurer, one (1) or more Secretaries, and such other Assistant Vice Presidents, Assistant Treasurers, or other officers, as from time to time, may appear to the Board necessary or desirable for the conduct of the affairs of the Company. Any two (2) offices may be held by the same person except that any person holding office as Secretary shall not also hold the office of Chairman of the Board or President.

The following is a list of key officers and their respective titles as of December 31, 2021:

Name	Office
Matthew Varagona	President
Timothy Tuller	Vice President and Treasurer
Patrick Theiler	Secretary

#### CONFLICT OF INTEREST

Directors and officers are required to review and sign Conflict of Interest statements annually. It was determined that all directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their statements as of December 31, 2021.

#### **OATH OF OFFICE**

IC 27-1-7-10(i) stipulates that every director, when elected, shall take and subscribe to an oath stating that he or she will faithfully, honestly, and diligently administer the affairs of the Company and will not knowingly violate any of the laws applicable to such Company. It was determined that all directors listed in the Management and Control section of this Report of Examination have subscribed to an oath as of December 31, 2021.

#### **CORPORATE RECORDS**

#### Articles of Incorporation

There were no amendments made to the Articles of Incorporation during the examination period.

#### <u>Bylaws</u>

There were no amendments made to the Bylaws during the examination period.

#### **Minutes**

The Board and shareholders meeting minutes were reviewed for the period under examination through the fieldwork date. Significant actions taken during each meeting were noted.

IC 27-1-7-7(b) states an annual meeting of shareholders, members, or policyholders shall be held within five (5) months after the close of each fiscal year of the Company and at such time within that period as the Bylaws may provide. The Company's Bylaws do specify the annual meeting of shareholders is to be held on the last Monday in April of each year. For each year under review, the annual meeting of shareholders was held in compliance with the Bylaws.

The Company's Audit Committee meeting minutes for the examination period, and through the fieldwork date, were reviewed.

#### AFFILIATED COMPANIES

#### Organizational Structure

The following abbreviated organizational chart shows the Company's parent and affiliates as of December 31, 2021:

	NAIC Co. Code	Domiciliary State/Country
Kemper Corporation		DE
Trinity Universal Insurance Company	19887	TX
Merastar Industries LLC		DE
Merastar Insurance Company	31968	${ m IL}$
Infinity Property and Casualty Corporation		OH
Infinity Insurance Company	22268	IN
Infinity Assurance Insurance Company	39497	OH
Infinity Auto Insurance Company	11738	OH
Infinity Casualty Insurance Company	21792	$\mathbf{OH}$
Infinity County Mutual Insurance Company <sup>A</sup>	13820	TX
Infinity Indemnity Insurance Company	10061	IN
Infinity Preferred Insurance Company	10195	ОН
Infinity Safeguard Insurance Company	16802	OH
Infinity Security Insurance Company <sup>B</sup>	38873	IN
Infinity Select Insurance Company	20260	IN
Infinity Standard Insurance Company	12599	IN

#### Affiliated Agreements

The following affiliated agreements and transactions were disclosed as part of the Form B-Holding Company Registration Statement and were filed with the INDOI, as required, in accordance with IC 27-1-23-4.

#### Service Agreements

Effective January 1, 2019, the Company entered into a General Services Agreement with Merastar Insurance Company and other Kemper affiliates. Under the terms of this agreement, companies party to this agreement provide various general corporate services to one another, which include accounting and financial services, accounts payable and administrative services, cash management and financial planning services, human resources services, legal and risk management services, and other miscellaneous services.

Intercompany Pooling Agreement

As more fully discussed in the Reinsurance section of the Report of Examination, Standard, along with other Indiana and Ohio affiliates, is a member of an Intercompany Pooling Agreement, effective January 1, 2005. Under this agreement, all the premiums, applicable liabilities, and expenses of the companies are "pooled" in accordance with the terms of the pooling agreement.

A Infinity County Mutual Insurance Company is affiliated but not owned by Infinity Insurance Company. As a mutual insurance company, it is owned by its policyholders.

<sup>&</sup>lt;sup>B</sup> Effective August 1, 2022, IIC entered into a Share Purchase Agreement with Transverse Specialty Insurance Company, pursuant to which, Transverse acquired all of the issued and outstanding capital stock of Infinity Security Insurance Company.

Consolidated Federal Income Tax Allocation Agreement

Effective July 2, 2018, the Company, along with its affiliate insurance companies, joined the Kemper Federal Income Tax Agreement. The agreement provides that the affiliates pay Kemper an amount of tax that they would pay the Internal Revenue Services or receive from Kemper refunds they would receive, as if they were separate companies filing separate federal income tax returns and were not part of a consolidated group.

#### FIDELITY BOND AND OTHER INSURANCE

The Company protects itself against loss from any fraudulent or dishonest acts by any employees through a fidelity bond issued by Hartford Fire Insurance Company. The bond has a single loss coverage limit of \$20 million with a \$500,000 deductible. The fidelity bond is adequate to meet the prescribed minimum coverage specified by the NAIC.

The Company had additional types of coverage in-force at December 31, 2021, including but not limited to auto, cyber policies, directors and officers liability, employment practices liability, fiduciary, general liability, insurance company professional liability, property liability, workers' compensation, and an umbrella policy.

## PENSION, STOCK OWNERSHIP, AND INSURANCE PLANS

The Company participates in a qualified defined contribution 401(k) plan sponsored by Kemper. The Company's share of net expense for the qualified defined contribution 401(k) plan was \$0 and \$0 for the years ended December 31, 2021 and 2020 respectively. The Company has no legal obligations for benefits under these plans.

#### SPECIAL AND STATUTORY DEPOSITS

The Company reported the following deposits as of December 31, 2021:

State	Book Value	Fair Value
All Other Special Deposits:		
Florida	\$ 229,339	\$ 218,645
Georgia	37,223	37,144
Indiana	2,092,445	2,122,819
Nevada	239,290	238,781
South Carolina	271,195	270,619
Total Deposits	\$ 2,869,492	\$ 2,888,008

#### REINSURANCE

#### Reinsurance Pool

The Company participates in an intercompany reinsurance pool with several of its affiliates. The pooling process begins with each affiliated company ceding 100% of their direct and assumed business to IIC, acting as the capacity of Lead Pool Company. In 2021, the Company ceded premiums totaling \$9 million, case loss and expense reserves of \$3 million, and IBNR reserves of \$2 million to IIC in connection with pooling transactions.

IIC then deducts any reinsurance ceded to non-pooling parties and retrocedes a specified portion of the remaining balance back to each pool participant. Since its acquisition by Kemper in 2018, IIC has ceded 100% of its direct and assumed business to Trinity Universal Insurance Company, a Kemper affiliate. This transaction results in a "net pool balance" of zero. Accordingly, as a result of this cession both IIC and the Company reported zero net premium and loss in their regulatory filings.

#### ACCOUNTS AND RECORDS

The Company's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balances prepared from the Company's general ledger for the years ended December 31, 2020 and December 31, 2021, were agreed to the respective Annual Statements. The Annual Statements for the years ended December 31, 2020 and December 31, 2021, were agreed to each year's independent audit report without material exception. The Company's accounting procedures, practices, and account records were deemed satisfactory.

#### FINANCIAL STATEMENTS

# INFINITY STANDARD INSURANCE COMPANY Assets As of December 31, 2021

Bonds	Per.	Examination*
	\$	3,409,491
Cash, cash equivalents and short-term investments		265,481
Subtotals, cash and invested assets		3,674,972
Investment income due and accrued		42,070
Premiums and considerations:		42,070
Uncollected premiums and agents' balances in course of collection		765
Net deferred tax asset		765
Receivables from parent, subsidiaries and affiliates		96,422
Total assets evoluting Senerate Assesset G. A. L. L.		2,049,397
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts		
Totals**		5,863,625
LOTAIS	\$	5,863,625
		, , , , , , , , , , , , , , , , ,

<sup>\*</sup> There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

<sup>\*\*</sup> The balances include immaterial rounding differences.

#### INFINITY STANDARD INSURANCE COMPANY Liabilities, Surplus and Other Funds As of December 31, 2021

	Per F	Examination*
Other expenses	\$	125,000
Current federal and foreign income taxes on realized capital gains (losses)		1,013
Ceded reinsurance premiums payable		<u>765</u>
Total liabilities excluding protected cell liabilities		126,778
Total liabilities		126,778
Common capital stock		2,500,000
Gross paid in and contributed surplus		2,150,000
Unassigned funds (surplus)		1,086,848
Surplus as regards policyholders		5,736,848
Totals**	\$	5,863,625
Lotato		

<sup>\*</sup> There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.
\*\* The balances include immaterial rounding differences.

## INFINITY STANDARD INSURANCE COMPANY

#### Statement of Income For the Year Ended December 31, 2021

UNDERWRITING INCOME	Per l	Examination*
Premiums earned INVESTMENT INCOME	\$	-
Net investment income earned		36,310
Net realized capital gains (losses) less capital gains tax Net investment gain (loss)	·····	(2) 36,309
Net income, before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes		ŕ
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes		36,309
Federal and foreign income taxes incurred		36,309 35,191
Net income**	\$	1,118

<sup>\*</sup> There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balances include immaterial rounding differences.

## INFINITY STANDARD INSURANCE COMPANY Capital and Surplus Account Reconciliation

	2021	 2020		2019	 2018	 2017
Surplus as regards policyholders, December 31 prior year Net income	\$ 5,732,743 1,118	\$ 5,580,182 55,674	\$	5,712,593 63,667	\$ 5,526,674 225,972	\$ 5,617,131 108,118
Change in net unrealized capital gains or (losses) less capital gains tax Change in net deferred income tax Change in nonadmitted assets Dividends to stockholders	26,340 (23,354)	93,078 3,809		8,286 (4,364) (200,000)	(1,481) (40,053) 1,481	(812) (18,575) 812 (180,000)
Change in surplus as regards policyholders for the year Surplus as regards policyholders, December 31 current year**	\$ 4,105 5,736,848	\$ 152,561 5,732,743	<u> </u>	(132,411) 5,580,182	\$ 185,919 5,712,593	\$ (90,457) 5,526,674

<sup>\*\*</sup> The balances include immaterial rounding differences.

## COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2021, based on the results of this examination.

### OTHER SIGNIFICANT ISSUES

There were no other significant issues as of December 31, 2021, based on the results of this examination.

#### SUBSEQUENT EVENTS

There were no events subsequent to the examination date and prior to the completion of field work which were considered material events requiring disclosure in this Report of Examination.

#### **AFFIDAVIT**

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that they, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Merlinos & Associates, Inc., performed an examination of Infinity Standard Insurance Company, as of December 31, 2021.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

This examination was performed in accordance with those procedures required by the NAIC Financial Condition Examiners Handbook and other procedures tailored for this examination. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standards and no audit opinion is expressed on the financial statements contained in this report.

The attached Report of Examination is a true and complete report of the condition of the Infinity Standard Insurance Company as of December 31, 2021, as determined by the undersigned.

Vitaliy Kyryk, CFE

Noble Consulting Services, Inc.

Under the Supervision of:

Jerry Elders, CFE, AES **Examinations Manager** 

Indiana Department of Insurance

State of: Indiana County of: Marion

On this 28th day of April, 2023, before me personally appeared, Vitaliy Kyryk and Jerry Ehlers, to sign

IN WITNESS WHEROF, I have hereunto set my hand and affixed my notarial seal in said County and State, the

15

day and year last above written.

My commission expires:

DIANNE DEITCH Notary Public - Seal Madison County - State of Indiana Commission Number NP0725200 My Commission Expires Feb 16, 2028

Indiana Department of Insurance NAIC Accredited

Infinity Standard Insurance Company Financial Examination as of 12/31/2021

<b>.</b>			