REPORT ON EXAMINATION

OF

MAPFRE INSURANCE COMPANY OF NEW YORK
(now known as PLYMOUTH ROCK ASSURANCE CORPORATION OF NEW YORK)

AS OF

DECEMBER 31, 2018

DATE OF REPORT	MAY 31, 2020
EXAMINER	WAYNE LONGMORE

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May 31, 2020

Honorable Linda A. Lacewell
Superintendent
New York State Department of Financial Services
Albany, New York 12257

Madam:

Pursuant to the requirements of the New York Insurance Law, and in compliance with the instructions contained in Appointment Number 32002 dated September 9, 2019, attached hereto, I have made an examination into the condition and affairs of MAPFRE Insurance Company of New York, now known as Plymouth Rock Assurance Corporation of New York, as of December 31, 2018, and submit the following report thereon.

Wherever the designation "the Company" appears herein, without qualification, it should be understood to indicate MAPFRE Insurance Company of New York.

Wherever the term "Department" appears herein without qualification, it should be understood to mean the New York State Department of Financial Services.

The examination was conducted at the Company's home office located at 901 Franklin Avenue, Garden City, New York, 11530.

1. SCOPE OF EXAMINATION

The Department has performed an examination of the Company, a multi-state insurer. The previous examination was conducted as of December 31, 2013. This examination covered the five-year period from January 1, 2014, through December 31, 2018. Transactions occurring subsequent to this period were reviewed where deemed appropriate by the examiner.

The examination was conducted in conjunction with the State of Massachusetts, which was the lead state of the MAPFRE Insurance Group. The examination was performed concurrently with the examinations of the following insurers: The Commerce Insurance Company, Citation Insurance Company, Commerce West Insurance Company, MAPFRE Insurance Company, MAPFRE Insurance Company of Florida, and American Commerce Insurance Company. Other states participating in this examination were Massachusetts, California, Florida, Ohio, and New Jersey.

This examination was conducted in accordance with the National Association of Insurance Commissioners ("NAIC") Financial Condition Examiners Handbook, which requires that we plan and perform the examination to evaluate the financial condition and identify current and prospective risks of the Company by obtaining information about the Company including corporate governance, identifying and assessing inherent risks within the Company and evaluating system controls and procedures used to mitigate those risks. This examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with New York laws, statutory accounting principles, and annual statement instructions.

This examination report includes, but is not limited to, the following:

Company history
Management and control
Territory and plan of operation
Reinsurance
Holding company description
Financial statement presentation
Loss review and analysis
Significant subsequent events
Summary of recommendations

A review was also made to ascertain what action was taken by the Company regarding the recommendations contained in the prior report on examination.

This report on examination is confined to financial statements and comments on those matters that involve departures from laws, regulations or rules, or that are deemed to require explanation or description.

2. DESCRIPTION OF COMPANY

MAPFRE Insurance Company of New York, now known as Plymouth Rock Assurance Corporation of New York, was incorporated under the laws of the State of New York on August 14, 1954, as the Truckmen's Insurance Company. On February 15, 2012, its name was changed to State-Wide Insurance Company. The present name was adopted on August 19, 2019. The Company was licensed September 9, 1954 and commenced business on October 1, 1954.

The Company was sold to Plymouth Rock Assurance Corporation ("PRAC"), effective January 1, 2019.

A. Corporate Governance

Pursuant to the Company's charter and by-laws, management of the Company is vested in a board of directors consisting of not less than seven persons. The board meets at least four times during each calendar year. At December 31, 2018, the board of directors was comprised of the following eight members:

Name and Residence	Principal Business Affiliation
Randall Vaughn Becker Webster, Massachusetts	Retired
Alfredo Castelo Boston, Massachusetts	Chairman, MAPFRE U.S.A. Corp.
David Hill Cochrane Sandwich, Massachusetts	Retired
Francois Jean Facon New York, New York	Director, MAPFRE U.S.A. Corp.
Timothy John Morgan Portland, Oregon	President and Chief Executive Officer, AAA Oregon/Idaho
Kirk Richard Nelson Sammamish, Washington	President and Chief Executive Officer, AAA Washington

Name and Residence	Principal Business Affiliation
Daniel Patrick Olohan Walpole, Massachusetts	Director, MAPFRE U.S.A. Corp.
Mark Harry Shaw Gahanna, Ohio	President and Chief Executive Officer, AAA Ohio Auto Club

Due to the Company's sale to PRAC, new board members were appointed in 2019. At December 31, 2019, the board of directors was comprised of the following seven members:

Name and Residence	Principal Business Affiliation
Harold Ronny Belodoff Newton, Massachusetts	President, The Plymouth Rock Company Incorporated
Mary Joyce Boyd Hingham, Massachusetts	President and Chief Executive Officer, Plymouth Rock Assurance Corporation
Colleen Mary Granahan Newton Highlands, Massachusetts	Vice President, The Plymouth Rock Company Incorporated
William Daniel Hartranft Newton, Massachusetts	Vice President and Chief Financial Officer, Plymouth Rock Assurance Corporation
John Conrad Hill Brooklyn, New York	President, Central Securities Corporation
Paul David Luongo Westwood, Massachusetts	President and Chief Information Officer, Shared Technology Services Group Inc.
Sandra Ann Urie Winchester, Massachusetts	Chief Operating Officer and Chief Executive Officer, Cambridge Associates LLC

As of December 31, 2018, the principal officers of the Company were as follows:

Name	Title
Alfredo Castelo	President and Chief Executive Officer
Francois Jean Facon	Executive Vice President and Chief Financial Officer
Daniel Patrick Olohan	Executive Vice President, General Counsel and Secretary
Robert Edward McKenna	Treasurer, Chief Accounting Officer and Senior Vice President

Due to the Company’s sale to PRAC, new officers were appointed. As of December 31, 2019, the principal officers of the Company were as follows:

Name	Title
Mary Joyce Boyd	President, Chief Executive Officer and Chief Operating Officer
William Daniel Hartranft	Treasurer and Chief Financial Officer
Kristin Virginia Collins	Secretary

Certain conflict of interest statements, signed by officers and directors of the Company for the years under examination, were not available for review. It is recommended that the Company maintain conflict of interest statements at its home office for each year under examination.

A similar recommendation was included in the previous report on examination.

The Company was unable to document compliance with Section 312(b) of the New York Insurance Law, which states:

> “A copy of the report shall be furnished by such insurer or other person to each member of its board of directors and each such member shall sign a statement which shall be retained in the insurer's files confirming that such member has received and read such report. The superintendent may require that a copy of the report shall also be furnished by such insurer to the supervising insurance official of each state in the United States in which such insurer is authorized to do an insurance business.”

It is recommended that the Company comply with Section 312(b) of the New York Insurance Law by furnishing each member of the board a copy of the report on examination and retaining a statement from each board member that he or she has received and read such report.

A similar recommendation was included in the previous report on examination.

B. Territory and Plan of Operation

As of December 31, 2018, the Company was licensed to write business in the states of New Jersey and New York.

As of the examination date, the Company was authorized to transact the kinds of insurance as defined in the following numbered paragraphs of Section 1113(a) of the New York Insurance Law:

Paragraph	Line of Business
4	Fire
5	Miscellaneous property
6	Water damage
7	Burglary and theft
8	Glass
11	Animal
12	Collision
13	Personal injury liability
14	Property damage liability
19	Motor vehicle and aircraft physical damage
20	Marine and inland marine (inland only)

Based upon the lines of business for which the Company is licensed, and pursuant to the requirements of Articles 13 and 41 of the New York Insurance Law, the Company is required to maintain a minimum surplus to policyholders in the amount of $850,000.

The following schedule shows the direct and assumed premiums written by the Company for the period under examination:

Calendar Year	Direct Premiums	Assumed Premiums	Total Gross Premiums
2014	$65,997,151	$ 75,050,164	$141,047,315
2015	$69,943,236	$103,925,782	$173,869,018
2016	$69,274,114	$ 98,698,218	$167,972,332
2017	$56,446,574	$ 99,137,708	$155,584,282
2018	$44,975,138	$ 98,012,382	$142,987,520

During the examination period, 100% of the Company's direct premiums were written in New York. The Company did not assume unaffiliated business during the examination period.

The Company's predominant lines of business were private passenger auto liability, homeowners' multiple peril, and auto physical damage, which accounted for 43%, 33% and 24%, respectively of the 2018 direct written premiums.

The Company sold its products through New York licensed independent insurance agents who represent multiple insurance companies. The Company's distribution system consisted of over 540 agencies located throughout New York.

Due to the pooling agreement described below, the net exposure of the Company was significantly different than its direct and assumed exposure.

C. Reinsurance Ceded

Inter-Company Pooling Agreement

Effective December 22, 2006, the Company participated in an inter-company reinsurance pooling agreement with various members of the MAPFRE Insurance Group. The Seventh Amended and Restated Reinsurance Pooling Agreement among property and casualty insurance subsidiaries of MAPFRE U.S.A. Corp. was made effective January 1, 2018, and supersedes all prior agreements including the Sixth Amended and Restated Reinsurance Pooling Agreement that was effective as of January 1, 2015. This agreement was filed with this Department pursuant to Section 1505(d) of the New York Insurance Law and was non-disapproved on December 7, 2017. The agreement calls for each participating affiliate to cede 100% of its premiums (written and unearned), losses, loss expenses and underwriting expenses to The Commerce Insurance Company ("Commerce"). The pooling agreement allows all companies to rely on the capacity of the entire pool rather than on their own capital and surplus. Commerce, as the lead insurer of the pool, assumes the direct business of all pool participants. All external reinsurance in the form of catastrophe, quota share, facultative and excess of loss contracts is ceded to non-affiliated reinsurers by Commerce. Commerce then cedes the net business after external reinsurance back to the pool participants at the stated pooled participation percentages.

The following table shows the pool participants and their respective pro-rata pooling percentages as of December 31, 2018:

Participating entity	Percentage
The Commerce Insurance Company (MA)	65.2
Citation Insurance Company (MA)	7.7
American Commerce Insurance Company (OH)	11.2
Commerce West Insurance Company (CA)	5.6
MAPFRE Insurance Company of New York	4.8
MAPFRE Insurance Company of Florida	3.2
MAPFRE Insurance Company (NJ)	2.3
Total	100.0

The Company's participation in this pooling agreement was terminated on a cut-off basis when it was acquired by PRAC effective January 1, 2019 (refer to section 5 of this report for further information).

Additionally, the reserve liabilities on both the assumed and ceded sides of the MAPFRE pool were commuted.

Examination review found that the Schedule F data reported by the Company in its 2018 filed Annual Statement accurately reflected its reinsurance transactions.

D. Holding Company System

At December 31, 2018, the Company was a member of the MAPFRE Insurance Group. The Company was a wholly owned subsidiary of ACIC Holding Company, Inc. ("ACIC"), a Rhode Island domiciled corporation, which, in turn, was a wholly owned subsidiary of MAPFRE U.S.A. Corp. ("MUSA"), a Massachusetts corporation. MUSA, in turn, is a wholly-owned subsidiary of MAPFRE Internacional S.A., which is a holding company for MAPFRE S.A.'s international operations.

MAPFRE S.A. is a multinational company engaged mainly in insurance and reinsurance activities, operating in a total of 45 countries. It is based in Spain and is the largest non-life insurance company in Latin America. MAPFRE S.A.'s shares are listed on the Madrid and Barcelona stock exchanges.

MAPFRE S.A. is ultimately controlled by Fundación MAPFRE, a global foundation with the aim of achieving objectives of general interest to society including social action and the promotion of culture, health, accident prevention, road safety, insurance and social security.

The following is a summary of ownership of the Company as of December 31, 2018:

Fundacion MAPFRE

Catera MAPFRE S.L.

MAPFRE S.A. (68.7%)

MAPFRE Asistencia Compania Internacional De Seguros y Reaseguros, S.A.

MAPFRE RE Compania De Reaseguros, S.A.

MAPFRE RE Vermont Corporation

MAPFRE Internacional S.A.

MAPFRE U.S.A Corp.

Commerce Insurance Company

MAPFRE Insurance Company of Florida

MAPFRE Insurance Company

Citation Insurance Company

Verti Insurance Company

BFS Holding Corporation

MAPFRE Life Insurance Company

MAPFRE Tech USA Inc.

ACIC Holding Co., Inc.

Commerce West Insurance Company

American Commerce Insurance Company

MAPFRE Insurance Company of New York

At December 31, 2018, the Company was party to the following agreements with other members of its holding company system:

Management and Cost Allocation Agreement

Effective January 1, 2018, the Company and various affiliates ("the Companies") entered into the Sixth Amended and Restated Management Cost Allocation Agreement pursuant to which, any of the Companies may provide certain management services, including investment and non-investment services, to the other parties for a fee. Compensation for non-investment related services shall be limited in all cases to not exceed the actual costs and expenses incurred by the party providing the services without a profit factor built in. Compensation for investment related services is based on a percentage of the quarter-end balance of investments and cash, not to exceed the actual costs and expenses incurred by the party providing such services without a profit factor built into such costs or expenses.

This agreement replaced the Fifth Amended and Restated Management Cost Allocation Agreement that was effective January 1, 2015. This agreement was filed with this Department pursuant to Section 1505(d) of the New York Insurance Law and was non-disapproved on December 7, 2017. During 2018, in accordance with the terms of this agreement, the Company paid $7,881,226 to Commerce.

Tax Allocation Agreement

On January 1, 2018, the Company and various affiliates entered into the Fourth Amended and Restated Tax Allocation Agreement with MUSA. Under this agreement, the Company and its affiliates will file a consolidated federal income tax return for taxable year ending December 31, 2017 and for any subsequent taxable period for which the affiliated group is required or permitted to file a consolidated return.

This agreement replaced the Third Amended and Restated Tax Allocation Agreement, dated January 1, 2015. This agreement was filed with this Department pursuant to Section 1505(d) of the New York Insurance Law and was non-disapproved on December 7, 2017.

E. Significant Ratios

The Company's operating ratios, computed as of December 31, 2018 are as follows:

	Result
Net premiums written to policyholders' surplus	393%
Adjusted liabilities to liquid assets	97%
Two-year overall operating	102%

The ratio results for the net premiums written to policyholders' surplus and two-year overall operating ratios fall outside the benchmark ranges specified in the Insurance Regulatory Information System of the NAIC.

Management notes that except for the two-year overall operating ratio, the remaining ratio calculations are directly impacted by the sale of the Company to PRAC due to the accrual of a dividend to ACIC in connection with that sale. Specifically, on December 21, 2018, the Department approved the sale of the Company to PRAC. In connection with the transaction, the Department also approved the payment of an extraordinary dividend by the Company to ACIC in the amount of $18 million. The sale of the Company to PRAC closed effective January 1, 2019.

At December 31, 2018, the Company was still owned by ACIC and remained part of the MAPFRE intercompany pooling agreement. Under this agreement, the Company and its insurance affiliates (as of December 31, 2018) shared underwriting profit and losses in proportion to the pool participation percentages. The Company's pooling percentage under this agreement was 4.8% for 2018. The sharing of 4.8% of MAPFRE's pooled underwriting profit and losses coupled with the lower surplus as regards policyholders resulting from the $18 million dividend caused the net premiums written to policyholders' surplus ratio to fall outside the NAIC's usual range.

The Company's elevated two-year overall operating ratio is a result of the lack of underwriting profitability of its overall U.S. business, which has been adversely impacted by weather-related catastrophe losses. Since the acquisition of control by PRAC, the Company has implemented new underwriting guidelines.

Underwriting Ratios

The underwriting ratios presented below are on an earned/incurred basis and encompass the five-year period covered by this examination:

	Amount	Ratio
Losses and loss adjustment expenses incurred	$365,350,499	79.36%
Other underwriting expenses incurred	123,481,812	26.82
Net underwriting gain (loss)	(28,474,015)	(6.18)
Premiums earned	$460,358,296	100.00%

The Company's reported risk-based capital ("RBC") score was 348.7% as of December 31, 2018. The RBC is a measure of the minimum amount of capital appropriate for a reporting entity to support its overall business operations in consideration of its size and risk profile. An RBC score of 200% or below can result in regulatory action. There were no financial adjustments in this report that impacted the Company's RBC score.

3. FINANCIAL STATEMENTS

A. Balance Sheet

The following shows the assets, liabilities and surplus as regards policyholders as of December 31, 2018, as reported by the Company.

Assets

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	$104,825,571	$ 0	$104,825,571
Cash, cash equivalents and short-term investments	28,628,296	0	28,628,296
Investment income due and accrued	742,683	0	742,683
Uncollected premiums and agents' balances in the course of collection	12,366,845	0	12,366,845
Amounts recoverable from reinsurers	3,346,734	0	3,346,734
Current federal and foreign income tax recoverable and interest thereon	1,556,533	0	1,556,533
Net deferred tax asset	3,520,628	393,033	3,127,595
Electronic data processing equipment and software	1,217	0	1,217
Furniture and equipment, including health care delivery assets	263,410	263,410	0
Prepaid expenses	255,938	255,938	0
Miscellaneous assets - New York Limited Assignment Distribution Program (“LAD”)	45,000	0	45,000
Miscellaneous assets	27,353	0	27,353
Total assets	$155,580,208	$912,381	$154,667,827

Liabilities, surplus and other funds

Liabilities

Losses and Loss Adjustment Expenses		$ 50,557,648
Reinsurance payable on paid losses and loss adjustment expenses		4,647,796
Commissions payable, contingent commissions and other similar charges		935,028
Other expenses (excluding taxes, licenses and fees)		1,231,455
Taxes, licenses and fees (excluding federal and foreign income taxes)		88
Unearned premiums		50,321,344
Advance premium		770,851
Stockholders (dividends declared and unpaid)		18,000,000
Ceded reinsurance premiums payable (net of ceding commissions)		2,555,353
Payable to parent, subsidiaries and affiliates		363,056
Payable for unclaimed checks		361,455
Total liabilities		$129,744,074
Surplus and other funds		
Common capital stock	$ 850,000	
Gross paid in and contributed surplus	924,800	
Unassigned funds (surplus)	23,148,953	
Surplus as regards policyholders		$ 24,923,753
Total liabilities, surplus and other funds		$154,667,827

NOTE: The Internal Revenue Service has completed its audits of the Company's consolidated Federal Income Tax returns through tax year 2015. All material adjustments, if any, made subsequent to the date of examination and arising from said audits, are reflected in the company's financial statements. There are no tax years that are currently under examination. The Internal Revenue Service has not audited tax returns covering tax years 2016 through 2018.

B. Statement of Income

The net loss for the examination period, as reported by the Company, was $4,191,004 as detailed below:

Underwriting Income		
Premiums earned		$460,358,296
Deductions:		
Losses and loss adjustment expenses incurred	$365,350,499	
Other underwriting expenses incurred	123,490,887	
LAD program income	(9,075)	
Total underwriting deductions		488,832,311
Net underwriting gain or (loss)		$(28,474,015)
Investment Income		
Net investment income earned	$ 16,524,275	
Net realized capital gain	2,965,636	
Net investment gain or (loss)		$ 19,489,911
Other Income		
Finance and service charges not included in premiums	$ 3,646,305	
Miscellaneous income	46,277	
Gain on sale of fixed asset	18,801	
Total other income		$ 3,711,383
Net income before federal and foreign income taxes		$ (5,272,721)
Federal and foreign income taxes incurred		(1,081,717)
Net income (loss)		$ (4,191,004)

C. Capital and Surplus

Surplus as regards policyholders decreased $28,606,459 during the examination period January 1, 2014 through December 31, 2018, as reported by the Company, detailed as follows:

Surplus as regards policyholders, as reported by the Company as of December 31, 2013			$ 53,530,212
	Gains in Surplus	Losses in Surplus	
Net income		$ 4,191,004	
Net unrealized capital gains or (losses)	$ 25,363		
Change in net deferred income tax		1,164,262	
Change in nonadmitted assets		345,819	
Dividends to stockholders		25,419,031	
Statutory intercompany expense pooling	3,570,458		
Change in pooling cash settlement	370,236		
DAC Change in pooling cash settlement	0	1,452,400	
Net increase (decrease) in surplus	$3,966,057	$32,572,516	(28,606,459)
Surplus as regards policyholders, as reported by the Company as of December 31, 2018			$ 24,923,753

Capital paid in is $850,000 consisting of 170,000 shares of $5 par value per share common stock. Gross paid in and contributed surplus is $924,800. Gross paid in and contributed surplus did not change during the examination period.

No adjustments were made to surplus as a result of this examination.

4. LOSSES AND LOSS ADJUSTMENT EXPENSES

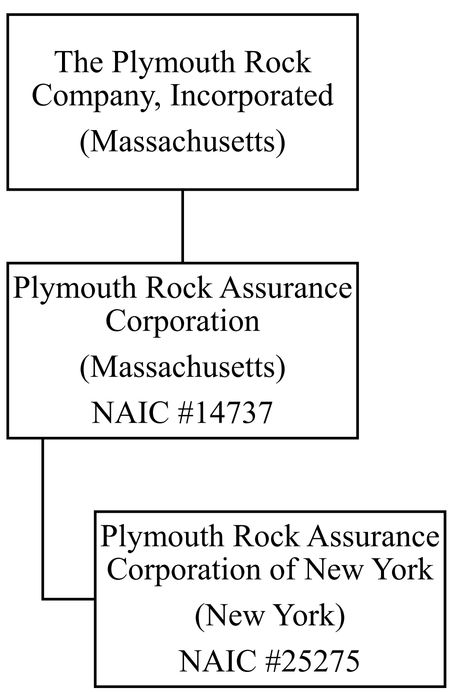
The examination liability for the captioned items of $50,557,648 is the same as that reported by the Company as of December 31, 2018. The examination analysis of the loss and loss adjustment expense reserves was conducted in accordance with generally accepted actuarial principles and statutory accounting principles, including the NAIC Accounting Practices & Procedures Manual, Statement of Statutory Accounting Principle No. 55.

The Department accepts the Company's net carried reserves as of December 31, 2018 of $50,557,648 (concentrated in the personal and commercial lines of business). This finding is consistent with the recommendation of the lead state, Massachusetts.

5. <u>SUBSEQUENT EVENTS</u>

1. As previously noted in this report on examination, effective January 1, 2019, the Company was sold to PRAC, a Massachusetts domiciled property and casualty insurance company. PRAC is owned by The Plymouth Rock Company Incorporated, a privately held Massachusetts corporation. PRAC writes automobile insurance in Massachusetts and Connecticut, flood insurance in Massachusetts through FEMA National Flood Insurance Program's Write Your Own Program, and personal umbrella insurance in Connecticut. PRAC entered the New York insurance market with its acquisition in 2018 of 21st Century National Insurance Company (now known as Plymouth Rock Assurance Preferred Corporation), which underwrites private passenger automobile business in the state of New York, and with its acquisition in 2019 of the Company, which primarily writes private passenger automobile insurance as well as homeowners insurance in the state of New York.

The following is an abridged chart of the holding company system:



In a letter dated August 16, 2018, the Department non-disapproved termination agreements in connection with the Company's participation in the previously mentioned MAPFRE Inter-company Pooling Agreement, Management and Cost Allocation Agreement, and Tax Allocation Agreement. The non-disapproval was contingent upon the Department's approval of the Company's acquisition of control by Plymouth Rock Assurance Corporation and its controlling persons.

As previously mentioned, the Company's participation in the MAPFRE Inter-company Pooling Agreement was terminated on a cut-off basis when it was acquired by PRAC effective January 1, 2019. As a result of the cut-off, the Company's assumed unearned premiums of $50,321,000 and ceded unearned premiums of $19,488,000 as of December 31, 2018, were both returned. It is noted that the amount reported in the 2019 Annual Statement Schedule F Part 3 of $19,488,000 was not properly reported as a transaction with Commerce; it was inadvertently reported as a transaction with Commonwealth Automobile Reinsurers. Additionally, the reserve liabilities on both the assumed and ceded sides of the MAPFRE pool were commuted.

The Department non-disapproved the addition of the Company to the following agreements with various entities within the Plymouth Rock Insurance Group:

<u>Plymouth Rock Pooling Agreement</u>

Effective January 1, 2019, the Company became a party to an inter-company pooling agreement with various entities in the Plymouth Rock Group. This agreement was filed with this Department pursuant to Section 1505(d) of the New York Insurance Law and was non-disapproved on October 25, 2019.

<u>Services Agreement</u>

Effective January 1, 2019, the Company was added to this agreement through the execution of the Sixth Amendment to the Services Agreement with various Plymouth Rock Group affiliates ("the Companies"). Pursuant to the terms of this agreement, any of the Companies may provide certain services, including legal, underwriting, accounting, and claims-related services, to the other parties for a fee based on cost. This agreement and its amendments were filed with this Department pursuant to Section 1505(d) of the New York Insurance Law and was non-disapproved on January 11, 2019.

<u>Inter-Company Technology Development, Operations and Support Agreement</u>

Effective January 1, 2019, the Company became a party to this contract through the execution of the Fifth Amendment to the Second Amended and Restated Inter-Company Technology Development, Operations and Support Agreement by and among various Plymouth Rock Group affiliates (“the Companies”). Pursuant to the terms of this agreement, Shared Technology Services Group, Inc. provides technology services, including development, support and maintenance services, to the other parties for a fair and reasonable cost. This agreement and its amendments were filed with this Department pursuant to Section 1505(d) of the New York Insurance Law and was non-disapproved on January 11, 2019.

Investment Services Agreement

This agreement was made effective January 1, 2019, between the Company and affiliate SRB Corporation (“SRB”). Pursuant to the terms of the agreement, for a quarterly fee based on the value of the fund, SRB will provide investment services, including the development of investment objectives, selection of investment managers, asset and cash management. This agreement was filed with this Department pursuant to Section 1505(d) of the New York Insurance Law and was non-disapproved on January 11, 2019.

2. On March 11, 2020, the World Health Organization declared an outbreak of a novel coronavirus (“COVID-19”) pandemic. The risks and uncertainties surrounding the COVID-19 pandemic may impact the Company’s, and its competitors’, operational and financial performance. The extent of the impact of the COVID-19 pandemic on the Company’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, regulatory decisions, and the impact on the financial markets. All of these developments are uncertain and cannot be predicted. The related financial impact cannot be reasonably estimated at this time.

6. COMPLIANCE WITH PRIOR REPORT ON EXAMINATION

The prior report on examination contained the following recommendations (page number refers to the prior report):

ITEM			PAGE NO.
A.		Management	
	i.	It was recommended that the Company comply with all of the provisions of its Charter and Bylaws or amend them as necessary. The Company has complied with this recommendation.	5
	ii.	It was recommended that the Company maintain conflict of interest statements at its home office for each year under examination. The Company has not complied with this recommendation and a similar recommendation is included in this report.	5
	iii.	It was recommended that the Company comply with Section 312(b) of the New York Insurance Law by furnishing each member of the board a copy of the report on examination and retaining a statement from each board member that he or she has received and read such report. The Company has not complied with this recommendation and a similar recommendation is included in this report.	5
B.		Holding company system	
		It was recommended that the Company file its annual holding company registration statements in a timely manner pursuant to the provisions of Part 80-1.4 of Department Regulation 52. The Company has complied with this recommendation.	9
C.		Losses and loss adjustment expenses	
		It was recommended that, in the future, the Company book, at a minimum, its actuary's point estimate. The current examination revealed that the Company has maintained the practice of booking reserves which are slightly below their appointed actuary’s indicated point estimate. As the difference is immaterial (about 1%) and the current review concludes that the Company’s 2018 carried reserves are reasonable, this prior examination recommendation is now irrelevant.	17

7. SUMMARY OF COMMENTS AND RECOMMENDATIONS

ITEM		PAGE NO.
A.	Management	
i.	It is recommended that the Company maintain conflict of interest statements at its home office for each year under examination.	5
ii.	It is recommended that the Company comply with Section 312(b) of the New York Insurance Law by furnishing each member of the board a copy of the report on examination and retaining a statement from each board member that he or she has received and read such report.	5

Respectfully submitted,

____________/S/___________
Wayne Longmore
Associate Insurance Examiner

STATE OF NEW YORK)
)ss:
COUNTY OF NEW YORK)

Wayne Longmore, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

____________/S/__________________
Wayne Longmore

Subscribed and sworn to before me

this__________ day of ____________________, 2020.

APPOINTMENT NO. 32002

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

*I, **Linda A. Lacewell**, Superintendent of Financial Services of the State of New York, pursuant to the provisions of the Financial Services Law and the Insurance Law, do hereby appoint:*

Wayne Longmore

as a proper person to examine the affairs of the

Plymouth Rock Assurance Corporation of New York
(f/k/a MAPFRE Insurance Company of New York)

and to make a report to me in writing of the condition of said

COMPANY

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed by name
and affixed the official Seal of the Department
at the City of New York

this 9th day of September, 2019

LINDA A. LACEWELL
Superintendent of Financial Services

By: Joan P. Riddell

Joan Riddell
Deputy Bureau Chief