

REPORT ON ORGANIZATION

OF

GREATER MID-ATLANTIC INDEMNITY COMPANY

AS OF

AUGUST 31, 2021

DATE OF REPORT

OCTOBER 18, 2021

EXAMINER

LAMIN JAMMEH

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Department of Financial Services

KATHY HOCHUL
Governor

ADRIENNE A. HARRIS
Acting Superintendent

October 18, 2021

Honorable Adrienne A. Harris
Acting 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 32319 dated October 18, 2021, attached hereto, I have made an examination on organization of Greater Mid-Atlantic Indemnity Company as of August 31, 2021, and submit the following report thereon.

Wherever the designation “the Company” appears herein without qualification, it should be understood to indicate Greater Mid-Atlantic Indemnity Company.

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

Due to the COVID-19 pandemic, the examination was conducted remotely.

1. SCOPE OF EXAMINATION

The examination comprised a complete verification of the issuance of the Company's capital stock, the receipt of capital and surplus funds, and the determination of the Company's assets and liabilities. The records examined were the declaration of intention and charter, the by-laws, the certificate of incorporation, the corporate minutes, the stock register and the inter-company and custodial agreements entered into by the Company as of the examination date. In addition, an affidavit, appended hereto, was obtained from two officers of the Company indicating that the transactions noted in this report were lawful and bona fide.

2. INCORPORATION

Greater Mid-Atlantic Indemnity Company was incorporated under the laws of the State of New York on May 6, 2020. The Department approved the Company's declaration of intention and charter on the same date. The Company's office is intended to be located at 200 Madison Ave, Third Floor, New York, NY 10016.

The Company's board of directors was comprised of the following 11 members:

<u>Name and Residence</u>	<u>Principal Business Affiliation</u>
Joan L. Cadd Sarasota, FL	Chartered Professional Accountant, Self-employed Consultant
Donald T. DeCarlo, Esq. Fresh Meadow, NY	Self-employed Lawyer
Elizabeth Heck New York, NY	Chairman, President and Chief Executive Officer, Greater New York Mutual Insurance Company
Warren W. Heck New York, NY	Retired
Carol Ivanick, Esq. New York, NY	Partner/Of Counsel, Schulte Roth & Zabel
Charles F. Jacey Esterro, FL	Retired
Robert P. Lewis Santa Fe, NM	Retired

<u>Name and Residence</u>	<u>Principal Business Affiliation</u>
Lance Liebman, Esq. New York, NY	Retired
Paul Segal New York, NY	Self-employed, Architect and Professor with Columbia University
Thomas W. Synnott III Brooklyn, NY	Retired
James Wrynn Garden City, NY	Chief Commercial Officer, National Arbitration and Mediation

As of August 31, 2021, the principal officers of the Company were as follows:

<u>Name</u>	<u>Title</u>
Elizabeth Heck	Chairman, President and Chief Executive Officer
Christopher McNulty	Executive Vice President, Chief Financial Officer and Treasurer
Thomas Hughes	Executive Vice President and General Counsel, and Corporate Secretary

3. CAPITALIZATION AND SUBSCRIPTION

Greater Mid-Atlantic Indemnity Company is a wholly-owned subsidiary of Greater New York Mutual Insurance Company, a New York-domiciled insurance company.

The Company has authorized capital of \$5,000,000, consisting of 50,000 shares of common stock at \$100 par value per share.

In order to fulfill the deposit requirements of Section 4104 of the New York Insurance Law, the Company has placed securities with a par and market value of \$500,000 in a custodial account in the name of the “Superintendent of Financial Services of the State of New York in trust for the security of the policyholders of Greater Mid-Atlantic Indemnity Company within the United States, its territories and possessions.”

4. BALANCE SHEET

The following shows the assets, liabilities and surplus as regards policyholders as determined by this examination as of August 31, 2021 and as reported by the Company:

Assets

Bonds	\$ 9,995,796
Cash	31,621
Investment income due and accrued	33,727
Other assets	<u>243</u>
Total admitted assets	<u>\$10,061,387</u>

Liabilities

Federal income taxes payable	\$ <u>12,891</u>
Total liabilities	12,891

Capital and Surplus

Common capital stock	\$5,000,000
Gross paid in and contributed surplus	5,000,000
Unassigned funds (surplus)	<u>48,496</u>
Total surplus as regards policyholders	<u>10,048,496</u>
Total liabilities and surplus as regards policyholders	<u>\$10,061,387</u>

5. AUTHORIZATION POWERS AND MINIMUM CAPITAL REQUIRED

The Company is authorized to transact the kinds of insurance as defined in the following numbered paragraphs of Section 1113(a) of the New York Insurance Law:

<u>Paragraph</u>	<u>Line of Business</u>
3	Accident and Health
4	Fire
5	Miscellaneous Property
6	Water Damage
7	Burglary and Theft
8	Glass
9	Boiler and Machinery
10	Elevator
11	Animal
12	Collision
13	Personal Injury Liability
14	Property Damage Liability
15	Workers' Compensation and Employers' Liability
16	Fidelity and Surety
17	Credit Insurance
19	Motor Vehicle and Aircraft Physical Damage
20	Marine and Inland Marine
21	Marine Protection and Indemnity

Based on the lines of business for which the Company is licensed and the Company's current capital structure, 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 \$4,400,000.

6. AFFILIATED GROUP

Greater Mid-Atlantic Indemnity Company is a wholly-owned subsidiary of Greater New York Mutual Insurance Company, a New York-domiciled insurance company.

The following is a chart of the affiliated group at August 31, 2021:

Greater New York Mutual Insurance Company
E.I.N 13-5117400
NAIC Code 22187
(New York)

Insurance Company of Greater New York
E.I.N. 13-2596361
NAIC Code 22195
(New York)

GNY Custom Insurance Company
E.I.N. 20-3635087
NAIC Code 10814
(Arizona)

Strathmore Insurance Company
E.I.N. 13-4062338
NAIC Code 11024
(New York)

Brite Insurance Agency
E.I.N. 13-4088817

**Greater Mid-Atlantic
Indemnity Company**
E.I.N. 85-2009943
(New York)

Greater Midwestern
Indemnity Company
E.I.N. 85-2033240
(New York)

Inter-Company Agreements

The Company filed the following inter-company agreements with the Department in accordance with Section 1505(d) of the New York Insurance Law:

Investment Expense Cost Sharing Agreement

The investment expense cost sharing agreement is made and entered into whereby investment expenses are allocated between Greater New York Mutual Insurance Company, and its wholly owned subsidiaries: Insurance Company of Greater New York, Strathmore Insurance Company, GNY Custom Insurance Company, Greater Midwestern Indemnity Company, and Greater Mid-Atlantic Indemnity Company, (collectively the “Companies”), based upon their share of the Companies’ total cash and investments as per the most recently filed annual statements, excluding any affiliated investments.

Federal Income Tax Allocation Agreement

The federal income tax allocation agreement in place between Greater New York Mutual Insurance Company and its wholly-owned subsidiaries was amended to include Greater Mid-Atlantic Indemnity Company as a member company.

7. CONCLUSION

Based on the foregoing examination, it is concluded that the Company sold 50,000 shares of common stock with a par value of \$100 per share. These shares represented the total authorized and issued stock for which the Company received a consideration of \$10,000,000, of which \$5,000,000 represents capital paid in and \$5,000,000 represents gross paid in and contributed surplus.

8. SUMMARY OF COMMENTS AND RECOMMENDATIONS

There are no comments or recommendations contained in this report.

Respectfully submitted,

_____/S/
Lamin Jammeh
Senior Insurance Examiner

STATE OF NEW YORK)
)SS:
COUNTY OF _____)

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

_____/S/
Lamin Jammeh

Subscribed and sworn to before me

this _____ day of _____, 2021.

STATE OF NEW YORK,)
) SS.:
COUNTY OF NEW YORK)

The undersigned, each an executive officer of Greater Mid-Atlantic Indemnity Company (the "Company"), duly sworn, depose, and say under oath that, on the date of September 30, 2021:

- (1) Each of the undersigned is an officer of the Company.
- (2) The Company's capital and surplus equals ten million dollars (\$10,000,000), consisting of paid in capital of five million dollars (\$5,000,000) and contributed surplus of five million dollars (\$5,000,000) (the "Capital and Surplus"). The capital and surplus is on deposit with Bank of America, N.A.
- (3) No part of the Capital and Surplus has been withdrawn, pledged, or in any way impaired.
- (4) No part of the Capital and Surplus is to be invested or otherwise legitimately used or appropriated except for the sole and exclusive use and benefit of the Company.
- (5) There is no agreement or understanding, express or implied, made or existing between the Company and its officers, or any or either of them, or any person or persons, to the effect or import that the money paid in by any stockholder shall be loaned or returned to it.
- (6) Neither the Company nor any of its officers is in any way, manner or form pledged or committed to make any investment, loan or disposition of the Capital and Surplus, or any part or portion thereof, which is not in strict conformity in all respects with the provisions of the Insurance Law of the State of New York.
- (7) The Capital and Surplus is the property of the Company and is possessed by the Company in its corporate name and capacity for the benefit of its policyholders.

Elizabeth Heck 9/30/21
(Signature) (Date)

Chairman, President, and Chief Executive
Officer

(Title)

[Signature] 9/30/21
(Signature) (Date)

Executive Vice President, Chief
Financial Officer & Treasurer

(Title)

Subscribed and sworn to before me
this 30th day of September, 2021

[Signature]
Notary Public Stamp.

APPOINTMENT NO. 32319

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

I, Adrienne A. Harris, Acting 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:

Lamin Jammeh

as a proper person to examine the affairs of the

Greater Mid-Atlantic Indemnity Company

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 18th day of October, 2021

ADRIENNE A. HARRIS
Acting Superintendent of Financial Services

By:

Joan Riddell

Joan Riddell
Deputy Bureau Chief

