REPORT ON EXAMINATION
OF
GENERALI – U.S. BRANCH

AS OF DECEMBER 31, 2020

EXAMINER:	**LEE PROWELL**
DATE OF REPORT:	**JUNE 15, 2022**

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June 15, 2022

Honorable Adrienne A. Harris
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 32276 dated July 13, 2021, attached hereto, I have made an examination into the condition and affairs of Generali – U.S. Branch as of December 31, 2020, and submit the following report thereon.

Wherever the designation "the Branch" appears herein without qualification, it should be understood to indicate Generali – U.S. Branch. Additionally, wherever the designation "Home Office" appears herein without qualification, it should be understood to indicate Assicurazioni Generali S.p.A.

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 Department has performed an examination of Generali – U.S. Branch*,* a multi-state insurer. The previous examination was conducted as of December 31, 2015. This examination covered the five-year period from January 1, 2016 through December 31, 2020. Transactions occurring subsequent to this period were reviewed where deemed appropriate by the examiner.

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 Branch by obtaining information about the Branch including corporate governance, identifying and assessing inherent risks within the Branch 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:

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

A review was also made to ascertain what action was taken by the Branch with regard to 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 BRANCH

The Branch originally operated in the United States during the years 1935 through 1941. The Branch re-entered the United States through the state of New York on December 23, 1952 as the United States Branch of Assicurazioni Generali, an insurer originally incorporated in Trieste, Italy on December 26, 1831.

Effective January 5, 1990, the Branch, with the approval of the Department, changed its name to Generali - U.S. Branch.

In 1991, Mediobanca S.p.A. ("Mediobanca"), an Italian investment bank, increased its ownership share of the Branch's Home Office from 5.98% to 12.84%. This increase made Mediobanca the Home Office's largest investor, and pursuant to New York Insurance Law ("NYIL"), the controlling shareholder. At December 31, 2020, Mediobanca's share was 12.97%

Prior to 1999, the Branch wrote direct insurance policies through approximately 15 managing general agents ("MGAs") that specialized predominantly in nonstandard automobile and commercial multiple peril business throughout the U.S. The Branch also assumed risks through treaty reinsurance composed of aviation business and domestic and international property and casualty business written on a pro-rata and excess basis.

In June 1999, the Home Office placed the Branch's operations in run-off. As a result, effective September 2000, the Branch did not renew its assumed reinsurance treaties and terminated its contracts with all but one of its MGAs, which markets nonstandard private passenger and commercial automobile in California. This MGA services the renewal business of the non-standard automobile policies written in California, which the Branch is required to renew by law.

In 2006, the Branch resumed issuing insurance policies, as described further herein in section 2B of this report.

A. Management

As a U.S. branch of an alien insurer licensed in this state, the Branch operates its business through a U.S manager. The Branch's operations have been managed by Genamerica Management Corporation ("Manager"), a New York corporation wholly owned by the Home Office, since 1966. A power of attorney made effective on July 14, 1966, authorizes the Manager to represent the Branch in all matters relating to the operations of its business and affairs. The administration of the Branch is under the direction of the Manager's president and chief financial officer.

Pursuant to the Manager's by-laws, management of the Branch is vested in a board of directors consisting of no less than three members. The board meets once, immediately following the annual meeting of the stockholders, on the second Monday in March, and at such other regular times as the board may determine. During the examination period, the board met at least quarterly.

On December 31, 2020, the board of directors was comprised of the following five members:

Name and Residence	Principal Business Affiliation
Simone Bemporad Milan, Italy	Director of Communications and Public Affairs, Assicurazioni Generali S.p.A.
Chris Carnicelli Scarsdale, New York	President and Chief Executive Officer, Europ Assistance North America
Jean-Yves LeBerre Paris, France	General Manager, Europ Assistance Holding S.A.
John Martini Glen Head, New York	President and Chief Executive Officer, Generali – U.S. Branch
Antoine Parisi Paris, France	Chairman of the Board Genamerica Management Corporation Chief Executive Officer, Europ Assistance Holdings S.A.

As of December 31, 2020, the principal officers of the Branch were as follows:

Name	Title
John Martini	President and Chief Executive Officer
James Dulligan	Chief Financial Officer
Jose Menendez*	Executive Vice President
Tarik Ajami	Senior Vice President
Mauricio Caneda	Senior Vice President
Gregory McGinley	Vice President
Sara Kirby	Vice President
Gina Clark	Vice President
Joseph Outumuro	Vice President
Frank Trigo	Vice President

*Subsequent to the examination date Jose Menendez resigned from the Branch and James Dulligan assumed his duties and responsibilities.

At the Manager's board of directors meeting held on April 15, 2021, the following officers were appointed and designated the principal officers of the Branch.

Name	Title
Chris Carnicelli	President and Chief Executive Officer
John Martini	Treasurer and General Manager
Tarik Ajami	General Counsel and Corporate Secretary
Mark Taber	Vice President - Insurance and Underwriting
Guido Buratti	Vice President – Finance
Mark Kase	Vice President - Information Technology
Robert Yaus	Vice President - Information Security
James Sion	Vice President - Operations and Claims
Cristina Giancola	Vice President - Human Resources
Guillermo Castillo	Head of Compliance
Roberta Vilanova	Head of Audit
Vladimir Polataev	Vice President – Marketing

U.S. Trustee

Pursuant to the provisions of Section 1315 of the New York Insurance Law, an alien insurer is required to maintain in the United States trusteed assets for the security of all its policyholders and creditors within the United States and to appoint a trustee of such assets. Under the terms of a deed of trust dated September 26, 1996, the Home Office designated The Bank of New York as its U.S. trustee. The deed provides that legal title to the trusteed assets shall be vested in the trustee and authorizes the trustee to sell or collect any security or property and to invest and reinvest the proceeds thereof upon written direction of the Manager.

Pursuant to Section 1312 of the New York Insurance Law, the Branch keeps in trust funds for the exclusive benefit of its policyholders and creditors sufficient to cover liabilities and statutory deposit requirements. The Branch's funds, which are trusteed, are subject to withdrawal only with the consent of the Department. As of December 31, 2020, these assets along with deposits with state insurance departments for the protection of all policyholders amounted to $42,333,566. The Branch's minimum surplus requirement is $7,265,080 The Branch reported $9,682,374 in trusteed surplus as of December 31, 2020.

B. Territory and Plan of Operation

As of December 31, 2020, the Branch was licensed to write business in all 50 states, the District of Columbia, and the Commonwealth of Puerto Rico.

As of the examination date, the Branch 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
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
19	Motor vehicle and aircraft physical damage
20	Marine and inland marine
21	Marine protection and indemnity
28	Service contract reimbursement

The Branch is also licensed to write such workers' compensation insurance as may be incidental to coverage contemplated under paragraphs 20 and 21 of Section 1113(a), including insurances described in the Longshoremen's and Harbor Workers' Compensation Act (Public Law No. 803, 69th Congress as amended; 33 USC Section 901 et seq. as amended) to the extent permitted by its charter.

Additionally, the Branch is licensed to conduct the business of special risk insurance pursuant to Article 63 of the New York Insurance Law.

Based upon the lines of business for which the Branch is licensed, and pursuant to the requirements of Articles 13 and 41 of the New York Insurance Law, the Branch is required to maintain a minimum surplus to policyholders in the amount of $3,200,000. However, pursuant to Section 6302(c)(1) of the New York Insurance Law, to be licensed to write special risks, the Branch is required to maintain a surplus as regards policyholders of at least 200% of its authorized control level risk-based capital; therefore, the Branch was required to maintain a surplus to policyholders in the amount of $7,265,080 as of December 31, 2020.

As previously noted, on January 1, 2006, the Branch resumed writing business. The business consisted of U.S. risks of Generali Group's foreign multi-national clients, and included a mix of commercial property and casualty lines of business. The business was ceded 100% to affiliated and nonaffiliated insurers, thus having no impact on the Branch's net reserves. The Branch earns administrative fees for underwriting and servicing this business. The Branch subsequently developed a book of direct and assumed large commercial business. In 2020, the Branch decided to exit this business.

In 2010, the Branch commenced a program through which it assumed travel related risks on business underwritten by Stonebridge Casualty Insurance Company ("Stonebridge"). The program consisted of two quota share agreements, a 100% quota share agreement reinsuring risks designated as "Club Med" and a 40% quota share agreement covering risks designated as "travel non-Club Med". On July 28, 2011, the 40% quota share agreement covering risks designated as "travel non-Club Med" was amended to a 100% quota share agreement and was also amended to include the Club Med U.S. policies and certificates that were previously covered under a separate treaty.

Effective October 1, 2012, the Branch entered into an MGA agreement with Customized Services Administrator's Inc. ("CSA"), a California corporation, to act as the replacement of Stonebridge. The travel business previously written through Stonebridge and assumed by the Branch entered run-off and all new business is written by the Branch on a direct basis through CSA.

During the examination period, the Branch began writing business in travel other than CSA. Additionally, in 2018, the Branch started writing identity theft protection, and in 2020, portable electronics protection.

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

Calendar Year	Direct Premiums	Assumed Premiums	Total Gross Premiums
2016	$ 97,839,967	$ 1,655,226	$ 99,495,193
2017	$114,424,607	$ 1,622,062	$116,046,669
2018	$143,862,374	$ 2,788,642	$146,651,016
2019	$170,830,951	$ 6,115,721	$176,946,672
2020	$126,544,292	$15,057,386	$141,601,678

At December 31, 2020, the Branch mainly writes inland marine and commercial multiple peril business, 63% and 17% respectively. Assumed premiums derive from two quota share agreements from unaffiliated cedants covering “Trip Mate” travel insurance.

Due to the large reinsurance program (described in section 2C of this report), the net exposure of the Branch is significantly reduced.

C. Reinsurance Ceded

A business strategy that the Branch implemented in 2006 when it resumed business was to issue policies covering the U.S. risks of the multi-national policyholders that are insured by the Branch’s unauthorized affiliated insurers. The business is 100% ceded back to the respective affiliated entity producing the original business. In effectuating this strategy, as of December 31, 2020, the Branch had reinsurance agreements in place with each of the following unauthorized affiliated companies:

- Generali Assurances, (France), agreement effective November 1, 2005
- Generali Espada S.A. (formally Vitalicio Seguros), (Spain), agreement effective January 1, 2006
- Generali Versicherung AG, (Austria), agreement effective January 1, 2006
- Europ Assistance Holding Irish Branch, agreement effective April 1, 2009
- Generali Italia S.p.A., (Italy), agreement effective July 1, 2013
- Generali Zavarovalnica d.d., (Slovenia), agreement effective December 1, 2010
- GP Reinsurance EAD, (Bulgaria), agreement effective January 1, 2016

All reinsurance agreements are quota share, except for the Generali Italia S.p.A agreement, which is facultative.

Additionally, during the examination period, the Branch entered into the following reinsurance agreements:

Effective February 1, 2019, the Branch entered into a reinsurance agreement with Europ Assistance S.a. ("EASA"), an unauthorized affiliate, whereby the Branch cedes the premiums and losses arising out of the travel insurance policies associated with domestic U.S. clients of the Europ Assistance Group underwritten by the Branch and administered by CSA. The reinsurance percentage is 100%; premiums and commissions are ceded on a written basis and claims are ceded on a paid basis. This agreement was amended effective September 1, 2019 to allow for a ceding commission and to include business effective January 1, 2019 administered by Trip Mate Inc.

Effective February 1, 2019, the Branch entered into a reinsurance agreement with Europ Assistance Irish Branch, an unauthorized affiliate, whereby the Branch cedes the premiums and losses arising out of the travel insurance policies associated with multinational clients of the Europ Assistance Group with domestic U.S. operations. The reinsurance percentage is 100%; premiums and commissions are ceded on a written basis and claims are ceded on a paid basis.

Effective March 5, 2019, the Branch entered into a reinsurance agreement with Hearing Protection Insurance Company, an unauthorized non-affiliate, whereby the Branch cedes it liability relating to the insurance issued by the Branch through its agent regarding hearing instrument protection plan insurance policies. The reinsurance percentage is 100%; premiums and commissions are ceded on a written basis and claims are ceded on a paid basis.

Reinsurance agreements with affiliates were reviewed for compliance with Article 15 of the New York Insurance Law. It is noted that all affiliated reinsurance agreements were filed with the Department pursuant to the provisions of Section 1505(d)(2) of the New York Insurance Law.

Loss Portfolio Transfer

Effective December 16, 2017, the Branch entered into a loss portfolio transfer agreement with an unauthorized non-affiliated reinsurer, whereby the reinsurer agreed to assume 100% of the Branch's loss and allocated loss adjustment expense reserves outstanding as of December 31, 2016 and relating to all non-life insurance and reinsurance contracts written by the Branch with dates of inception between January 1, 1959 and December 31, 2000 and the business transferred to the Branch pursuant to the Transfer and Assumption Agreement entered into as of May 5, 2006 between the Branch and Generali Assurances

Generales. The agreement transferred initial reserves in the amount of $12,945,464, for which the Branch paid an initial consideration of $13,030,641. A special surplus account entitled "Loss portfolio transfer" was established in the amount of $(85,177) representing the initial loss resulting from the transaction at inception. The agreement provides that the reinsurer will pay the ultimate net loss up to a maximum aggregate amount of $65,000,000. As of the examination date, there is a contra-liability in the amount of $9,893,561 related to this agreement. The agreement was accounted for by the Branch pursuant to the provisions of SSAP No. 62R.

It is the Branch's policy to obtain the appropriate collateral for its cessions to unauthorized reinsurers. Letters of credit and trust accounts obtained by the Branch to take credit for cessions to unauthorized reinsurers were reviewed for compliance with Department Regulations 133 and 114, respectively. No exceptions were noted. The Branch also reduces its provision for reinsurance pursuant to the provisions of Parts 125.4(e) or (f) of Department Regulation 20.

All significant ceded reinsurance agreements in effect as of the examination date were reviewed and found to contain the required clauses, including an insolvency clause meeting the requirements of Section 1308 of the New York Insurance Law.

Examination review found that the Schedule F data reported by the Branch in its filed annual statement accurately reflected its reinsurance transactions. Additionally, management has represented that all material ceded reinsurance agreements transfer both underwriting and timing risk as set forth in the NAIC Accounting Practices and Procedures Manual, Statement of Statutory Accounting Principles ("SSAP") No 62R. Representations were supported by appropriate risk transfer and an attestation from the Branch's Chief Executive Officer and Chief Financial Officer pursuant to the NAIC annual statement instructions. Additionally, examination review indicated that the Branch was not a party to any finite reinsurance agreements. All ceded reinsurance agreements were accounted for utilizing reinsurance accounting as set forth in SSAP No. 62R.

D. Holding Company System

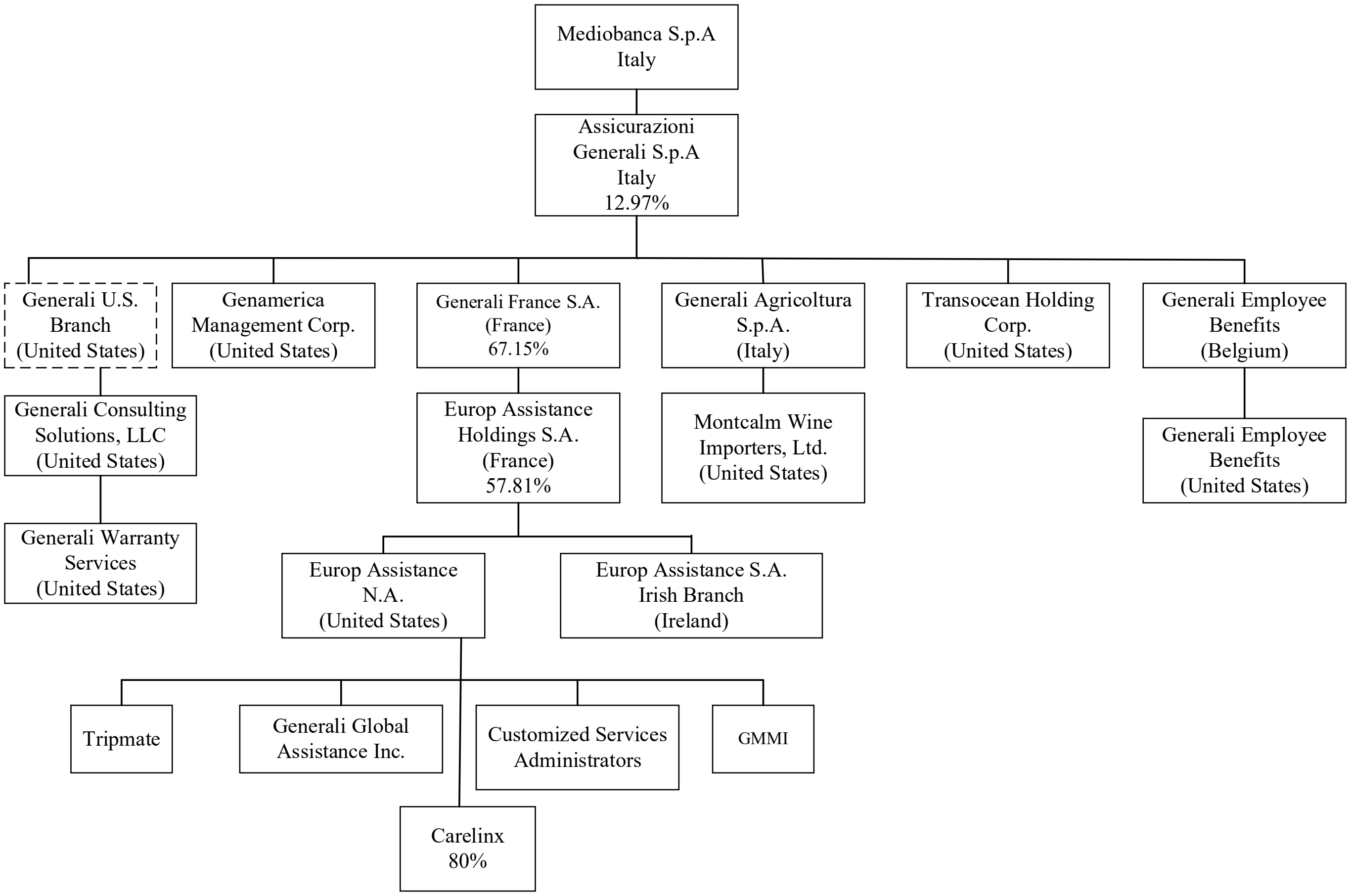
The Home Office, Assicurazioni Generali S.p.A, is a public company that is headquartered in Trieste, Italy. Through its subsidiaries, the Home Office operates through four segments: non-life; life; asset management; holding and other business. It operates in Italy, France, Germany, Austria, Czech Republic, Poland, Hungary, Slovakia, Serbia, Montenegro, Romania, Slovenia, Bulgaria, Croatia, Russia, Spain, Switzerland, the Americas, Southern Europe and Asia. The Branch was organized to issue policies to insure the risks of the Generali Group clients with exposures in the United States.

As of December 31, 2020, the Branch owned 100% of the shares of Generali Consulting Solutions, LLC. (“GCS”). The book adjusted carrying value of these shares, $1,156,420, was non-admitted because the underlying financial statements were not audited, as prescribed by SSAP No. 97 Investments in Subsidiary, Controlled and Affiliated Entities. GCS wholly owns Generali Warranty Services, LLC (formerly known as Generali Claims Solutions, LLC), making the Branch the indirect owner of Generali Warranty Services, LLC.

At December 31, 2020, the Home Office was 12.97% owned by Mediobanca, an Italian investment bank. Mediobanca is the sole shareholder holding more than 10% in shares of the Home Office and, hence, in accordance with Section 1501 of the New York Insurance Law, deemed the ultimate controlling entity.

A review of the holding company registration statements filed with this Department indicated that such filings were complete and were filed in a timely manner pursuant to Article 15 of the New York Insurance Law and Department Regulation 52.

The following is an unabridged chart of the holding company system at December 31, 2020:



Percentage of ownership is stated in cases with less than 100%

Holding Company Agreements

At December 31, 2020, the Branch was party to the following agreements with other members of its holding company system:

Management Service Agreement

Effective July 25, 1966, Genamerica Management Corporation, by virtue of a power of attorney dated July 14, 1966, was appointed as the U.S. manager of the Branch. Pursuant to the Management Agreement, the U.S. manager is engaged to conduct and carry out the business and affairs of the Branch and the insurance business that the Branch transacts in all jurisdictions in which it is authorized. The U.S. manager is a wholly owned subsidiary of the Home Office.

Shared Service Agreements

During the examination period the Branch had in place service agreements with the following affiliated companies:

- Assicurazioni Generali, S.p.A.
- Generali Consulting Solutions, LLC
- Montcalm Wine Importers, Ltd.
- Generali Warranty Services, LLC (formally Generali Claims Solutions, LLC)
- Transocean Holding Corp.

Except for the Montcalm Wine Importers, Ltd. service agreement, effective January 1, 2016, all the above-mentioned service agreements took effect on September 1, 2016. Under these agreements, the Branch agrees to provide services for the benefit of the respective affiliate for: salaries, employee benefits and relations, payroll taxes, and equipment expenses. They also provide for rent expense, printing and stationery, postage and telephone, and insurance. Services are to be provided at cost and allocated expenses are determined pursuant to Department Regulation 30. Quarterly billings are to be settled within 15 days of presentation.

Program and Services Agreement

Effective September 9, 2015, the Branch entered into an agreement with Europ Assistance USA, Inc. (“EA”), an affiliated entity, whereby it contracted EA to provide travel assistance services in connection with travel insurance underwritten by the Branch.

Managing General Agent

Effective October 1, 2012, the Branch entered into a managing general agency agreement with CSA. Effective October 1, 2012 and subsequently amended, the Branch entered into a claims management agreement, as part of the managing general agency agreement, with CSA. CSA provides its services for a fixed fee based on gross written premiums and subrogation recoveries.

All agreements, and amendments thereof, were filed with this Department pursuant to Section 1505 of the New York Insurance Law.

E. Significant Ratios

The Branch's operating ratios, computed as of December 31, 2020, fall within the benchmark ranges set forth in the Insurance Regulatory Information System of the NAIC.

Operating Ratios	Result
Net premiums written to policyholders' surplus	4%
Adjusted liabilities to liquid assets	67%
Two-year overall operating	66%

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	$15,562,063	134.92%
Other underwriting expenses incurred	(823,441)	(7.14)
Net underwriting loss	(3,204,523)	(27.78)
Premiums earned	$11,534,099	100.00%

The Branch's reported risk-based capital ("RBC") score was 1,780.20% at December 31, 2020**.** The RBC score 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 Branch's RBC score.

3. FINANCIAL STATEMENTS

A. Balance Sheet

The following shows the assets, liabilities and surplus as regards policyholders as of December 31, 2020, as reported by the Branch:

Assets	Assets	Assets Not Admitted	Net Admitted Assets
Bonds	$ 40,835,673	$ 0	$40,835,673
Common stocks (stocks)	1,156,420	1,156,420	0
Cash, cash equivalents and short-term investments	27,579,875	0	27,579,875
Other - pensions	1,064,030	1,064,030	0
Investment income due and accrued	727,209	0	727,209
Uncollected premiums and agents' balances in the course of collection	12,386,486	1,506,457	10,880,029
Deferred premiums, agents' balances and installments booked but deferred and not yet due	287,227	0	287,227
Amounts recoverable from reinsurers	1,268,121	0	1,268,121
Funds held by or deposited with reinsured companies	1,450,967	0	1,450,967
Net deferred tax asset	4,596,648	2,712,398	1,884,250
Receivables from parent, subsidiaries, and affiliates	1,180,529	0	1,180,529
Loans	13,309,330	309,330	13,000,000
Total assets	$105,842,515	$6,748,635	$99,093,880

Liabilities, Surplus and Other Funds

Liabilities

Losses and Loss Adjustment Expenses		$11,240,453
Reinsurance payable on paid losses and loss adjustment expenses		1,092,740
Other expenses (excluding taxes, licenses and fees)		372,026
Taxes, licenses and fees (excluding federal and foreign income taxes)		2,533,127
Unearned premiums		152,418
Ceded reinsurance premiums payable (net of ceding commissions)		21,712,607
Funds held by company under reinsurance treaties		1,525,967
Amounts withheld or retained by company for account of others		96,624
Provision for reinsurance		2,181,000
Other liability		9,132,427
Minimum pension liability		5,841,262
Reserve for retroactive reinsurance		(9,893,561)
Total liabilities		$45,987,090
Surplus and Other Funds		
Statutory deposits	$ 500,000	
Unassigned funds (surplus)	52,606,790	
Surplus as regards policyholders		53,106,790
Total liabilities, surplus and other funds		$99,093,880

Note: The Internal Revenue Service has not audited tax returns covering tax years 2016 through 2020. The examiner is unaware of any potential exposure of the Branch to any tax assessment and no liability has been established herein relative to such contingency.

B. Statement of Income

The net loss for the examination period as reported by the Branch was $1,304,921, as detailed below:

Underwriting Income		
Premiums earned		$11,534,099
Deductions:		
Losses and loss adjustment expenses incurred	$15,562,063	
Other underwriting expenses incurred	(823,441)	
Total underwriting deductions		14,738,622
Net underwriting gain or (loss)		$ (3,204,523)
Investment Income		
Net investment income earned	$3,016,271	
Net investment gain or (loss)		3,016,271
Other Income		
Interest on loan receivable	$ 1,187,179	
Miscellaneous income	61,612	
pension liability	(1,566,493)	
Retroactive reinsurance (loss) gain	(819,347)	
Total other income		(1,137,049)
Net income before dividends to policyholders and before federal and foreign income taxes		$(1,325,301)
Dividends to policyholders		0
Net income after dividends to policyholders but before federal and foreign income taxes		$(1,325,301)
Federal and foreign income taxes incurred		(20,380)
Net income		$(1,304,921)

C. Surplus

Surplus as regards policyholders increased $25,638,236 during the five-year examination period January 1, 2016 through December 31, 2020, as reported by the Branch, detailed as follows:

	Gains in Surplus	Losses in Surplus	
Surplus as regards policyholders as reported by the Branch as of December 31, 2015			$27,468,554
Net income		$1,304,921	
Change in net deferred income tax	$ 4,596,648		
Change in nonadmitted assets		1,368,891	
Change in provision for reinsurance		1,562,048	
Remittances from the Home Office	26,030,641		
Pension surplus adjustment	0	753,193	
Total gains and losses	$30,627,289	$4,989,053	
Net increase in surplus			25,638,236
Surplus as regards policyholders as reported by the Branch as of December 31, 2020			$53,106,790

Remittances from the Home Office consisted of the following contributions:

- $13,030,641 in 2017;
- $13,000,000 in 2019.

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

D. Trusteed Surplus Statement

The following statement shows the trusteed surplus as of December 31, 2020 as reported by the Branch:

Assets		
Bonds deposited with the state insurance departments for the protection of all policyholders and creditors within the United States: New York	$3,952,334	
Accrued interest thereon	24,528	
Total deposits with state insurance departments		$ 3,976,862
Vested in and held by United States Trustee:		
Cash	$ 1,260,489	
Bonds	37,096,215	
Total trusteed assets		38,356,704
Total gross assets		$42,333,566
Liabilities		
Total liabilities		$45,987,090
Deduction from liabilities:		
Reinsurance recoverable on paid losses & loss adjustment expenses:		
Authorized companies	$ 560,000	
Unauthorized companies	729,000	
Special state deposits, not exceeding net liabilities carried in this statement on business in each respective state:	4,146,938	
Accrued interest on special state deposits	188	
Agents' balances or uncollected premiums not more than 90 days past due not exceeding unearned premium reserves carried thereon	9,184,789	
Total deductions		14,620,915
Total adjusted liabilities		$31,366,175
Trusteed surplus		9,682,374
Total liabilities and trusteed surplus		$42,333,566

4. LOSSES AND LOSS ADJUSTMENT EXPENSES

The examination liability for the captioned items of $11,240,453 is the same as reported by the Branch as of December 31, 2020. The examination analysis of the loss and loss adjustment expense reserves was conducted in accordance with actuarial standards of practice and statutory accounting principles, including SSAP No. 55.

5. SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared an outbreak of a novel coronavirus ("COVID-19") pandemic. The COVID-19 pandemic has continued to develop, with significant uncertainty remaining regarding the full effect of COVID-19 on the U.S. and global insurance and reinsurance industry. At the time of releasing this report, the examination's review noted that there has not been a significant impact to the Branch. The Department has been in communication with the Branch regarding the impact of COVID-19. The Department continues to closely monitor the impact of the pandemic on the Branch and will take necessary action if a solvency concern arises.

6. COMPLIANCE WITH PRIOR REPORT ON EXAMINATION

The prior report on examination contained eight recommendations as follows (page numbers refer to the prior report):

ITEM			PAGE NO.
A.		Management It was recommended that board of directors' meetings be held regularly, so that adequate oversight and monitoring of the Branch's business operations is provided. It is also recommended that the Branch ensure that its manager's by-laws are properly followed. The Branch has complied with this recommendation.	6
B.		Reinsurance	
	i.	It was recommended that the Branch comply with Section 1505(d)(2) of the New York Insurance Law and notify the Department prior to entering into any affiliated reinsurance agreements that requires submission. The Branch has complied with this recommendation.	10
	ii.	It was recommended that the Branch comply with Section 1308(e)(1) of the New York Insurance Law and refrain from ceding more than fifty percent of the unearned premiums on the net amount of its insurance in force at the beginning of such period, without the Superintendent's permission. The Branch has complied with this recommendation.	10
	iii.	It was recommended that the Branch obtain its letter of credits from the respective assuming reinsurer as required by Department Regulation 133. The Branch has complied with this recommendation.	10
	iv.	It was recommended that the Branch establish and formalize a robust and adequate internal control system surrounding its reinsurance process and to test these controls to assess their effectiveness and ensure their proper implementation The Branch has complied with this recommendation.	11

ITEM			PAGE NO.
C.		Service Agreements It was recommended that the Branch establish procedures to ensure that all related party agreements be timely submitted to the Department for approval or non-disapproval according to Article 15 of the New York Insurance Law. The Branch has complied with this recommendation	13
D.		Accounts and Records	
	i.	It was recommended that the Branch prepare Schedule Y, Part 2 in accordance with the annual statement instructions. The Branch has complied with this recommendation	14
	ii.	It was recommended that the Branch disclose all information relevant to its Schedule P interrogatories that may have an effect in the reporting and preparation of Schedule P. The Branch has complied with this recommendation.	15

7. SUMMARY OF COMMENTS AND RECOMMENDATIONS

This report on examination does not contain any comments or recommendations.

Respectfully submitted,

_____________/S/________________
Lee Prowell, CPA, CFE
Senior Insurance Examiner

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

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

___________/S/____________
Lee Prowell

Subscribed and sworn to before me

this_________ day of __________________, 2022.

APPOINTMENT NO. 32276

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:*

Lee Prowell

as a proper person to examine the affairs of the

Generali - U.S. Branch

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 13th day of July,2021

LINDA A. LACEWELL
Superintendent of Financial Services

By:

Joan Riddell

Joan Riddell
Deputy Bureau Chief