REPORT ON EXAMINATION
OF
UNITED FARM FAMILY INSURANCE COMPANY

AS OF DECEMBER 31, 2020

EXAMINER:	**LAMIN JAMMEH**
DATE OF REPORT:	**MAY 10, 2022**

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May 10, 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 32161 dated November 25, 2020, attached hereto, I have made an examination into the condition and affairs of United Farm Family Insurance Company as of December 31, 2020, and submit the following report thereon.

Wherever the designation "the Company" or "UFFIC" appears herein without qualification, it should be understood to indicate United Farm Family Insurance 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, this examination was conducted remotely.

1. SCOPE OF EXAMINATION

The Department has performed an examination of United Farm Family Insurance Company, 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.

The examination was conducted in conjunction with the State of Texas, which was the lead state of the American National Financial Group. The examination was performed concurrently with the examinations of the following insurers:

COMPANY	DOMICILE
American National County Mutual Insurance Company (“ANCMIC”)*	Texas
American National General Insurance Company (“ANGIC”)*	Missouri
American National Insurance Company (“ANICO”)	Texas
American National Life Insurance Company of New York (“ANICONY”)	New York
American National Life Insurance Company of Texas (“ANTEX”)	Texas
American National Lloyds Insurance Company (“ANLIC”)*	Texas
American National Property And Casualty Company (“ANPAC”)*	Missouri
ANPAC Louisiana Insurance Company (“ANPLA”)*	Louisiana
Garden State Life Insurance Company (“GSLIC”)	Texas
Pacific Property And Casualty Company (“PACIFIC”)*	California
Standard Life and Accident Insurance Company (“SLAICO”)	Texas
Farm Family Casualty Insurance Company (“FFCIC”)*	New York

* Collectively, including the Company, referred to within this report as the “P&C Companies”

Other states participating in this examination were California, Louisiana, and Missouri.

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 with regard to the recommendation 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

The Company was incorporated under the laws of the State of New York on February 25, 1988, became licensed, and commenced business on January 1, 1989.

Prior to December 2004, Farm Family Life Insurance Company ("FFLIC") owned 100% of the outstanding shares of stock of the Company. On December 1, 2004, FFLIC transferred all of its outstanding shares of UFFIC to Farm Family Holdings, Inc. ("FFH").

On April 10, 2001, American National Insurance Company ("ANICO"), a Texas domiciled insurance company, acquired FFH, including the Company.

On August 23, 2007, American National Property and Casualty Holding Company LLC merged into FFH, with FFH being the surviving entity. At the same time, FFH changed its name to American National Property and Casualty Holdings, Inc. ("ANPAC Holdings").

On July 1, 2020, ANICO completed its previously announced holding company reorganization. As a result of the reorganization, ANICO became a wholly-owned subsidiary of American National Group, Inc. ("ANAT"), a Delaware corporation, and ANAT replaced ANICO as the publicly-held company. All outstanding shares of the Company are now owned indirectly by ANAT.

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 nor more than 15 members. The board meets four times during each calendar year. At December 31, 2020, the board of directors was comprised of the following 11 members:

Name and Residence	Principal Business Affiliation
Irwin Max Herz Jr. Galveston, TX	Partner/Attorney, Greer, Herz & Adams, LLP
Johnny David Johnson Venice, FL	Executive Vice President, Chief Administrative Officer & Chief Information Officer, American National Insurance Company
Ashild Ingrid Moody Kemah, TX	Volunteer Worker/Former Farmer,
Edward Joseph Muhl Alexandria, VA	Retired Partner PricewaterhouseCoopers, LLP
Matthew Richard Ostiguy East Greenbush, NY	Executive Vice President, P&C Chief Operating Officer, P&C Companies Senior Vice President, P&C Chief Operating Officer, American National Insurance Company
Elvin Jerome Pederson Galveston, TX	Managing Director, CiTareTx Management, LLC
James Edward Pozzi Galveston, TX	President and Chief Executive Officer, American National Insurance Company
John Frederick Simon League City, TX	Executive Vice President and Chief Life and Annuity Actuary, American National Insurance Company
Shannon Lee Smith Springfield, MO	Executive Vice President, Chief Agencies Officer, Multiple Line, American National Insurance Company
Timothy Allen Walsh Friendswood, TX	Executive Vice President, Chief Financial Officer, and Treasurer, American National Insurance Company
James Daniel Yarbrough Galveston, TX	Financial Consultant, YFS, Inc.

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

Name	Title
Timothy Allen Walsh	President and Chief Executive Officer
John Mark Flippin	Vice President and Corporate Secretary
Michelle Annette Gage	Vice President, Controller, and Treasurer

B. Territory and Plan of Operation

As of December 31, 2020, the Company was licensed to write business in seven states: Delaware, Maryland, New Jersey, New York, Pennsylvania, Vermont, and West Virginia.

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
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
19	Motor vehicle and aircraft physical damage
20	Marine and inland marine
21	Marine protection and indemnity
26	Gap

The Company is also empowered to transact such workers' compensation insurance as may be incident to coverage contemplated under paragraphs 20 and 21 of Section 1113(a) of the New York Insurance Law, 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).

Based upon 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 $5,800,000.

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

Calendar Year	Direct Premiums	Assumed Premiums	Total Gross Premiums
2016	$ 86,739,346	$8,753,521	$ 95,492,866*
2017	$ 95,112,772	$9,078,781	$104,191,553
2018	$104,585,504	$9,298,963	$113,884,467
2019	$115,982,830	$9,526,967	$125,509,797
2020	$124,795,052	$9,627,000	$134,422,052

* Rounding difference of $1

The largest lines of business for the Company are commercial auto liability, workers' compensation, allied lines, and auto physical damage which account for 24.2%, 12.6%, 11.9% and 11.8%, respectively of the Company's 2020 direct premiums written. The Company's primary product is its proprietary farm package policy. This policy is a flexible, multi-line insurance contract that combines property and liability coverages for farm owners. The Company also offers business owners, artisan contractors, commercial automobile, and workers' compensation products. Rounding out the primary product portfolio are commercial and personal umbrella policies, commercial package policy including general liability, inland marine, property, and crime and a small number of claims-made pollution policies for farm risks. The combined commercial and agriculture product offerings not only serve farm owners, but a wide array of other agriculture businesses such as horse breeders and training facilities, wineries, and greenhouses. The business is written through career agents.

Assumed reinsurance accounted for approximately 7.2% of the Company's gross premium written as of December 31, 2020. Approximately 99.9% of the Company's assumed premium is attributable to the pooling agreement with the Company's affiliate, FFCIC. The remainder of the Company's assumed premiums are from certain mandated pools and associations.

C. Reinsurance Ceded

Intercompany Pooling Agreement

Effective January 1, 2004, the Company entered into a pooling agreement with FFCIC, pool leader. Under the terms of the agreement, the Company cedes 100% quota share of its direct and assumed business to FFCIC, net of any external reinsurance. FFCIC then retrocedes 2% quota share of its net direct and assumed business to the Company. The pooling agreement allocation percentages have remained unchanged since inception; however, the agreement was amended effective March 5, 2010, modifying the terms of the provision relating to cash calls. Both the agreement and subsequent amendment were non-objected to by the Department in letters dated June 29, 2004 and March 5, 2010 pursuant to the requirements of Section 1505(d)(2) of the New York Insurance Law.

Multiple-Cedent Reinsurance Allocation Agreement

The Company is a party to a Multiple-Cedent Reinsurance Allocation Agreement ("MC Agreement"). The MC Agreement is entered into among the following parties: the Company, UFFIC (the Company and UFFIC are collectively referred to herein as the "Farm Family Group"), ANPAC, ANGIC, ANLIC, Pacific, and ANPLA (ANPAC, ANGIC, ANLIC, Pacific, and ANPLA are collectively referred to herein as the "ANPAC Group"). The parties contemplate entering into reinsurance agreements as multiple cedants in order to achieve operating economies. The MC Agreement establishes a formal arrangement for the apportionment of recoverables and premiums under such reinsurance contracts, and is applicable to ceded reinsurance contracts having an initial term beginning on or after January 1, 2015.

The group has structured its ceded reinsurance program as of December 31, 2020 as follows:

Type of Treaty	Cession
Working Layers	
Multiple Line Excess of Loss	
Coverage A	Property Business: $4.5 million excess $1.5 million any one risk, each loss; limit $9 million per occurrence. Terrorism: $4.5 million excess $1.5 million any one risk each loss; limit $9 million in all during the term of the contract and any runoff period.
Coverage B	Casualty Business: $4.5 million excess $1.5 million per occurrence ($5.5 million as respects any one occurrence involving at least one $2 million per occurrence policy issued by the Company in accordance with this contract).
Coverage C	Pollution Liability: $4.5 million excess $1.5 million any one policy, each pollution incident; limit $4.5 million as respects all losses arising out of all pollution liability policies involved in all pollution incidents reported during the term of this contract and any runoff period.
Coverage D	Combination: $3 million excess $1.5 million any one occurrence involving a combination of two or more classes of business subject to Coverages A, B and/or C and subject ultimate net loss shall not exceed $1.5 million as respect to each of Coverage A, B, and/or C any one occurrence. Toxic Mold: As respect to Coverages A, B, C and D toxic mold the liability of the reinsurer shall not exceed $4.5 million during the term of this contract and any runoff period.
Property Excess per Risk	$14 million excess $6 million any one risk, each loss any one loss occurrence; limit $49 million during the term of the contract or during any runoff period. Liability of the reinsurer for losses arising out of acts of terrorism or toxic mold shall not exceed $14 million in all during the term of the contract or any runoff period.

Excess Casualty Clash (4 layers)	$54 million excess $6 million ultimate net loss per occurrence; limit $108 million during the term of the contract or during any runoff period. Liability of the reinsurer for all Workers Compensation losses arising out of acts of terrorism shall not exceed $54 million in all during the term of the contract or any runoff period; Liability of the reinsurer for all toxic mold related losses shall not exceed $54 million in all during the term of the contract or any runoff period.
	Note: For all layers above as respects any one occurrence involving at least one $2 million per occurrence policy issued by the Company in accordance with the contract the Company's retention shall be increased by $1 million.
Catastrophe	
Aggregate Property Catastrophe Excess	$30 million in excess of $104 million aggregate subject ultimate net loss arising out of loss occurrence commencing during the term of the contract.
Corporate Catastrophe (4 layers) Layer 1	80% of $10 million excess $25 million ultimate net loss per occurrence; limit $20 million during the term of the contract or during any runoff period.
Layer 2	37.5% of $65 million excess $35 million ultimate net loss per occurrence; limit $130 million during the term of the contract or during any runoff period.
Layer 3	37.5% of $100 million excess of $100 million ultimate net loss per occurrence; limit $200 million during the term of the contract or during any runoff period.
Layer 4	37.5% of $300 million excess of $200 million ultimate net loss per occurrence; limit $600 million during the term of the contract or during any runoff period.
Property Catastrophe Excess Stretch Reinstatable	25.9219% of $465 million excess of $35 million ultimate net loss per occurrence; limit $860 million during the term of the contract or during any runoff period.
Property Catastrophe Excess Stretch	20% of $482.5 million excess of $17.5 million ultimate net loss per occurrence; limit $930 million during the term of the contract or during any runoff period.

Property Catastrophe Excess Stretch Single Shot	11.5781% of $465 million excess of $35 million ultimate net loss per occurrence.
Property Catastrophe 2nd and 3rd Event	$15 million excess of $10 million ultimate net loss per occurrence. No claim shall be made hereunder unless and until the aggregate incurred Subject Excess Losses arising out of all loss occurrences commencing during the term of this contract exceed an annual aggregate retention of $13.5 million. The Company shall retain this amount in addition to the initial retention as set in above.
Workers Compensation (3 layers)	$24 million excess of $1 million ultimate net loss per occurrence.

A majority of the ceded business was to authorized reinsurers. It is the Company's policy to obtain the appropriate collateral for its cessions to unauthorized reinsurers. There were no significant reinsurance recoverables from unauthorized reinsurers.

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.

The examination review of Schedule F data, reported by the Company in its filed annual statement, was found to accurately reflect its material reinsurance transactions. Additionally, management has represented that all material ceded reinsurance agreements transfer both underwriting and timing risk as set forth in SSAP No. 62R. Representations were supported by an attestation from the Company's Chief Executive Officer and Chief Financial Officer. Additionally, examination review indicated that the Company 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

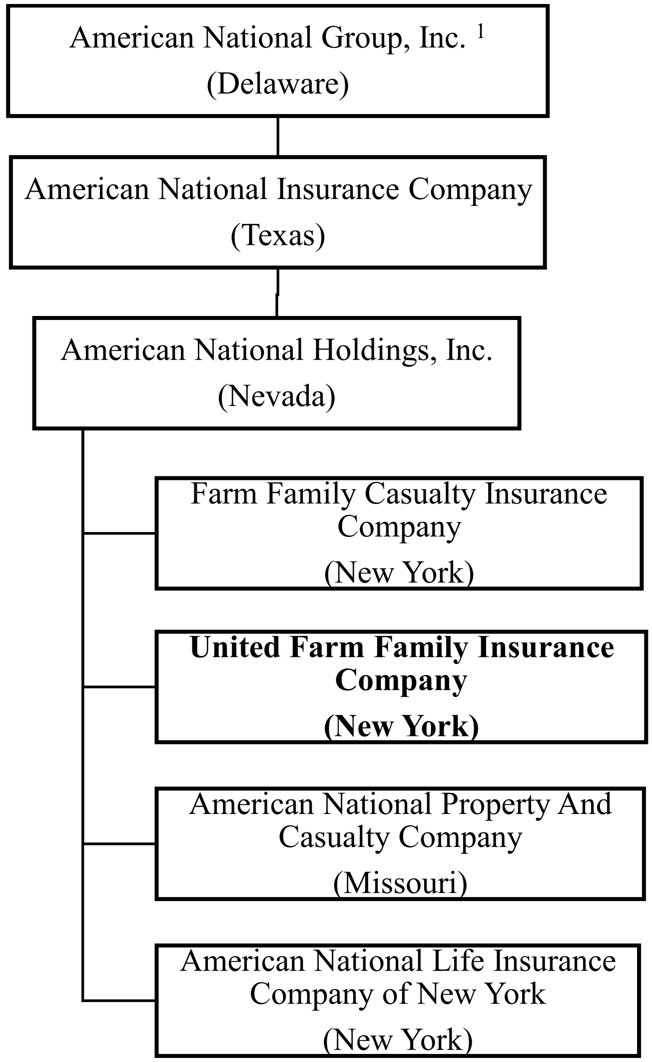
The Company is a member of the American National Financial Group (the “ANAT Group”). At December 31, 2020, the Company was a wholly-owned subsidiary of American National Holdings, Inc. (“ANH”), an insurance holding company incorporated in Nevada. ANH was wholly-owned by ANICO, a Texas domiciled life insurance company, which is wholly owned by ANAT, a public company at all times during the examination period. At December 31, 2020, The Moody Foundation and The Libby S. Moody

Trust owned 22.7% and 37.0%, respectively, of ANAT and both are considered the ultimate controlling persons of the Company.

ANAT, together with its subsidiaries, provides life insurance, annuities, property and casualty insurance, health insurance, credit insurance, and pension products in the United States, the District of Columbia, and Puerto Rico. ANICO was incorporated in 1905 and is headquartered in Galveston, Texas. Through its Farm Family Group, the ANAT Group acts as a multiple line provider of commercial and personal lines property and casualty coverages throughout the Northeast to agribusinesses and other related commercial and residential establishments in rural and suburban communities.

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 abridged chart of the holding company system at December 31, 2020:



[1] The Libbie S. Moody Trust and The Moody Foundation own 37.0% and 22.7%, respectively, at December 31, 2020

Holding Company Agreements

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

Service Agreement with Farm Family Casualty Insurance Company

Effective July 25, 1988, Farm Family Mutual Insurance Company (predecessor in interest to FFCIC) entered into a service agreement with the Company. Pursuant to the terms of the agreement, FFCIC will perform certain administrative and special services for the Company and allows the Company to make use of FFCIC's facilities. The Company shall reimburse FFCIC for all directly allocable expenses, reasonably and equitably determined to be attributable to the Company, plus a reasonable overhead charge determined periodically by the parties.

This agreement predates April 6, 1999, the date Farm Family Life Insurance Company and UFFIC were acquired by Farm Family Holdings, Inc. and as such, the agreement was not subject to the filing requirement of Section 1505 of the New York Insurance Law. The agreement was subsequently filed with the Department in July 2001 and was non-disapproved by the Department.

Amended and Restated Mortgage Loan and Real Estate Investment Services Agreement

The Company originally entered into this mortgage loan and real estate investment services agreement with FFCIC and ANICO effective June 1, 2001. Under the terms of the amended and restated agreement, effective March 11, 2010, ANICO agrees to solicit and underwrite proposed mortgage loans deemed by ANICO to be suitable mortgage loan investments for the Company and FFCIC and consistent with an investment plan approved by the Company and FFCIC's respective board of directors.

The amended and restated agreement was filed with the Department pursuant to Section 1505(d) of the New York Insurance Law and was non-objected by the Department.

Amended and Restated Investment Advisory Agreement

The Company and FFCIC entered into an investment advisory agreement with ANICO dated August 1, 2001. That agreement was amended and restated on March 11, 2010. Pursuant to the terms of the amended and restated agreement, ANICO shall act as the investment adviser and shall manage their investment portfolios in compliance with the laws and regulations of the State of New York. The agreement further states that the performance of services by ANICO as adviser pursuant to the agreement shall in no way impair the absolute control of the business and operations of FFCIC or UFFIC by their respective boards of directors.

This amended and restated agreement was filed with the Department pursuant to Section 1505(d) of the New York Insurance Law and was non-objected by the Department.

Tax Allocation Agreement

As amended for taxable years beginning January 1, 2020, the Company participates in a tax payment allocation agreement, dated January 1, 2008, with its ultimate parent ANAT and select members of its holding company system. This agreement provides that the tax charge or refund to the Company shall be the amount the Company would have paid or received if it had filed on a separate return basis with the Internal Revenue Service. The agreement and amendment were filed with the Department pursuant to Circular Letter No. 33 (1979).

Cash Management Agreement

The Company entered into a cash management agreement effective January 1, 2016, and subsequently amended on July 1, 2016, with ANPAC, ANGIC, ANLIC, ANPLA, ANMIC, and FFCIC. Pursuant to the terms of the agreement, the parties agree to participate in a centralized cash management system. FFCIC and ANPAC are designated as managers and perform certain cash management services for the participants, which include receipt and accounting for premiums receipts and further transfer of such receipts to the participant bank accounts. Expenses for services provided are charged based on costs incurred.

This agreement and amendment filed with the Department pursuant to Section 1505(d) of the New York Insurance Law and was non-objected to by the Department.

Revolving Line of Credit

Effective June 30, 2020, the Company entered into a revolving line of credit note with ANICO, as lender, for $7,500,000. The note matures on July 1, 2023 and carries a variable interest rate equal. At December 31, 2020, the Company reported an outstanding balance of $7,434,162, which included $84,162 of accrued interest, under this line of credit.

This note was filed with the Department pursuant to Section 1505(d) of the New York Insurance Law and was non-objected to by the Department.

E. Significant Ratios

The following 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	60%
Two-year overall operating	91%

The Company's adjusted liabilities to liquid assets ratio of 146% is above the benchmark range.

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	$28,519,976	62.42%
Other underwriting expenses incurred	14,350,083	31.41%
Net underwriting gain (loss)	2,817,644	6.17%
Premiums earned	$45,687,703	100.00%

The Company's reported risk-based capital ("RBC") score was 1,240.6% 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 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, 2020, as reported by the Company:

Assets

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	$ 8,555,970	$ 0	$ 8,555,970
Cash, cash equivalents and short-term Investments	(1,561,904)	0	(1,561,904)
Investment income due and accrued	47,599	0	47,599
Uncollected premiums and agents' balances in the course of collection	2,745,442	22,072	2,723,370
Deferred premiums, agents' balances and installments booked but deferred and not yet due	30,955,648	922	30,954,726
Amounts recoverable from reinsurers	14,251,184	0	14,251,184
Current federal and foreign income tax recoverable and interest thereon	35,528	0	35,528
Net deferred tax asset	371,207	5,085	366,122
Receivables from parent, subsidiaries and affiliates	1,630,934	0	1,630,934
Aggregate write-ins for other than invested assets	217,250	2,273	214,977
Total assets	$57,248,859*	$30,352	$57,218,506

*Rounding difference of $1

Liabilities, Surplus and Other Funds

Liabilities

Losses and loss adjustment expenses		$11,872,173
Reinsurance payable on paid losses and loss adjustment expenses		723,986
Commissions payable, contingent commissions and other similar charges		115,485
Other expenses (excluding taxes, licenses and fees)		105,725
Taxes, licenses and fees (excluding federal and foreign income taxes)		44,113
Borrowed money and interest thereon		7,434,162
Unearned premiums		4,605,724
Advance premium		479,166
Ceded reinsurance premiums payable (net of ceding commissions)		12,331,832
Amounts withheld or retained by company for account of others		216,910
Remittances and items not allocated		26,255
Provision for reinsurance		12,000
Payable to parent, subsidiaries and affiliates		3,041,272
Uncashed check reserve		203,410
Total liabilities		$41,212,213
Surplus and Other Funds		
Common capital stock	$3,500,000	
Gross paid in and contributed surplus	4,700,000	
Unassigned funds (surplus)	7,806,293	
Surplus as regards policyholders		16,006,293
Total liabilities, surplus and other funds		$57,218,506

Note: The Internal Revenue Service has completed its audit of the Company's consolidated federal income tax return through tax year 2016. The examiner is unaware of any potential exposure of the Company to any tax assessment and no liability has been established herein relative to such contingency.

B. Statement of Income

The net income for the examination period as reported by the Company was $3,487,195, as detailed below:

Underwriting Income		
Premiums earned		$45,687,703
Deductions:		
Losses and loss adjustment expenses incurred	$28,519,976	
Other underwriting expenses incurred	14,350,083	
Total underwriting deductions		42,870,059
Net underwriting gain or (loss)		$ 2,817,644
Investment Income		
Net investment income earned	$ 1,166,404	
Net realized capital gain	23,099	
Net investment gain or (loss)		1,189,503
Other Income		
Net gain or (loss) from agents' or premium balances charged off	$(91,089)	
Finance and service charges not included in premiums	195,697	
Aggregate write-ins for miscellaneous income	20,859	
Total other income		125,467
Net income before dividends to policyholders and before federal and foreign income taxes		$ 4,132,614
Federal and foreign income taxes incurred		645,419
Net income		$ 3,487,195

C. Capital and Surplus

Capital paid in is $3,500,000 consisting of 10,000 shares of $350 par value per share common stock. Gross paid in and contributed surplus is $4,700,000. Gross paid in and contributed surplus and capital paid in did not change during the examination period.

Surplus as regards policyholders increased $3,537,789 during the five-year examination period January 1, 2016 through December 31, 2020, as reported by the Company, detailed as follows:

	Gains in Surplus	Losses in Surplus	
Surplus as regards policyholders as reported by the Company as of December 31, 2015			$12,468,504
Net income	$3,487,195		
Change in net deferred income tax		$504,015	
Change in nonadmitted assets	674,759		
Change in provision for reinsurance		12,000	
Change in deferred tax on non-admitted items	0	108,150	
Total gains and losses	$4,161,954	$624,165	
Net increase (decrease) in surplus			3,537,789
Surplus as regards policyholders as reported by the Company as of December 31, 2020			$16,006,293

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 $11,872,173 is the same as reported by the Company 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 Company. The Department has been in communication with the Company regarding the impact of COVID-19 on its business operations and financial position. The Department continues to closely monitor the impact of the pandemic on the Company and will take necessary action if a solvency concern arises.

On May 19, 2022, the Department approved the acquisition of ANAT by Brookfield Asset Management Reinsurance Partners, Ltd., a Bermuda exempted limited company, for $5.1 billion. The acquisition closed on May 25, 2022.

6. COMPLIANCE WITH PRIOR REPORT ON EXAMINATION

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

ITEM		PAGE NO.
A.	Accounts and Records	
	. It was again recommended that the Company update in a timely manner all signatory cards for all of its bank accounts to reflect changes in authorizations approved by the Board. The Company has complied with this recommendation.	17

7. SUMMARY OF COMMENTS AND RECOMMENDATIONS

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

Respectfully submitted,

_______________/S/________________
Lamin Jammeh
Senior Insurance Examiner

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

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

___________/S/____________
Lamin Jammeh

Subscribed and sworn to before me

this_________ day of __________________, 2022

APPOINTMENT NO. 32161

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:*

Lamin Jammeh

as a proper person to examine the affairs of the

United Farm Family Insurance 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 25th day of November, 2020

LINDA A. LACEWELL
Superintendent of Financial Services

By:

Joan Riddell

Joan Riddell
Deputy Bureau Chief