



**REPORT ON EXAMINATION  
OF  
SIRIUSPOINT AMERICA INSURANCE COMPANY  
AS OF DECEMBER 31, 2023**

**EXAMINER:  
DATE OF REPORT:**

**DILBRINA BELGRAVE  
OCTOBER 1, 2024**

## TABLE OF CONTENTS

<u>ITEM</u>		<u>PAGE NO.</u>
1.	Scope of examination	2
2.	Description of Company	3
	A. Corporate governance	4
	B. Territory and plan of operation	6
	C. Reinsurance ceded	7
	D. Holding company system	9
	E. Significant ratios	12
	F. Accounts and records	13
3.	Financial statements	15
	A. Balance sheet	15
	B. Statement of income	17
	C. Capital and surplus	18
4.	Losses and loss adjustment expenses	19
5.	Subsequent events	19
6.	Compliance with prior report on examination	19
7.	Summary of comments and recommendations	20

---

KATHY HOCHUL  
Governor



---

ADRIENNE A. HARRIS  
Superintendent

October 1, 2024

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 32464 dated October 31, 2022, attached hereto, I have made an examination into the condition and affairs of SiriusPoint America Insurance Company as of December 31, 2023, and submit the following report thereon.

Wherever the designation “the Company” appears herein without qualification, it should be understood to indicate SiriusPoint America Insurance Company.

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

## 1. SCOPE OF EXAMINATION

The Department has performed an examination of SiriusPoint America Insurance Company, a multi-state insurer. The previous examination was conducted as of December 31, 2019. This examination covered the four-year period from January 1, 2020, through December 31, 2023. Transactions occurring subsequent to this period were reviewed where deemed appropriate by the examiner.

New York is the lead state of the SiriusPoint Group. The examination was performed concurrently with SiriusPoint Specialty Insurance Corporation, a New Hampshire domiciled company.

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
- Subsequent events
- Summary of recommendations

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

SiriusPoint America Insurance Company was incorporated under the laws of the State of New York on September 13, 1979 and commenced business on January 9, 1980. The Company was formally known as Sirius America Insurance Company (and previously known as White Mountains Reinsurance Company of America, and originally as Folksamerica Reinsurance Company).

The Company is a direct wholly owned subsidiary of Sirius Re Holdings, Inc. (“SReHI”), which, in turn, is an indirect wholly owned subsidiary of SiriusPoint Ltd.

On July 7, 2020, the Company sold 100% of its wholly owned subsidiary, Empire Insurance Company (“Empire”) to Physicians’ Reciprocal Insurers, a reciprocal insurer that is domiciled in New York. In order to facilitate the sale, the Company entered into a transfer and assumption agreement with Empire. The acquisition was approved by the Department on June 26, 2020.

On July 30, 2020, the Company formed a wholly owned subsidiary, Sirius Specialty Insurance Corporation (now known as SiriusPoint Specialty Insurance Corporation), an excess and surplus lines carrier that is domiciled in New Hampshire.

On August 5, 2021, the Company sold 100% of its wholly owned subsidiary, Cedar Insurance Company (“Cedar”) to Adar Tree Capital Corporation. In order to facilitate the sale, the Company entered into a transfer and assumption agreement with Cedar. The acquisition was approved by the Department on July 16, 2021.

On February 16, 2021, the Department approved the acquisition of control of Sirius International Insurance Group, Ltd. (“Sirius Group”), which included the Company and its subsidiaries, by Third Point Reinsurance Ltd. (“TPRE”). The acquisition closed on February 26, 2021. TPRE is a Bermuda exempted company limited by shares which was launched in 2011 and began writing business in January 2012. TPRE completed an initial public offering in 2013, and its shares are listed on the New York Stock Exchange. Subsequent to the acquisition, TPRE changed its name to SiriusPoint Ltd. (“SPLTD”). The acquisition of control was approved pursuant to Section 1506 of the New York Insurance Law.

On May 27, 2021, the previous parent holding company, Sirius Group, merged with SPLTD by way of a merger agreement, with SPLTD as the surviving entity.

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 13 members. The board meets four times during each calendar year. At December 31, 2023, the board of directors was comprised of the following five members:

<u>Name and Residence</u>	<u>Principal Business Affiliation</u>
Brent Pollock Donaldson New York, New York	Chief Reserving Actuary, Sirius Global Services LLC
David Evan Govrin Short Hills, New Jersey	Group President & Chief Underwriting Officer, Sirius Global Services LLC
Anthony Lawrence LeHan Princeton, New Jersey	Senior Vice President, Chief Accounting Officer, Sirius Global Services LLC
Thomas Clifford Leonardo Fairfield, Connecticut	Global Head of Accident and Health, Sirius Global Services LLC
Paul Allen Mihulka Elkhorn, Nebraska	Head of Program Administration, Sirius Global Services LLC

Upon review of the minutes to the board of directors’ meetings held during the examination period, it was noted that the Company had six directors in 2022. On January 30, 2024, the Company elected Evan Cabat and Trecia Sigle as directors; however, the Company reported five directors on its quarterly statement as of March 31, 2024.

Section 1201(a)(5)(v) of the New York Insurance Law states, in part:

“...the number of directors shall not be less than seven...”

It is recommended that the Company maintain at least the minimum number of directors pursuant to the New York Insurance Law and its charter.

The Company's second amended and restated by-laws states, in part:

“ . . . Article II, Section 2.01 – The annual meeting of the shareholder for the election of directors and for the transaction of other business shall be held each year...”

Article III, Section 3.03 - Except as otherwise provided by law or these by-laws, each director of the corporation shall be elected at an annual meeting of shareholders and shall hold office until the next annual meeting of shareholders and until such director's successor has been elected and qualified . . .”

Upon review of the minutes to the board of directors' meeting held during the examination, it was noted that the sole stockholder did not meet during the examination period. As a result, it was concluded that the sole stockholder did not elect directors each year of the examination period pursuant to its by-laws.

It is recommended the Company comply with its by-laws by ensuring that board of directors are elected in accordance with such by-laws.

It was further noted that investment transactions, although reviewed quarterly, were not formally approved by the board of directors or a committee thereof.

Section 1411(a) of the New York Insurance Laws states:

“No domestic insurer shall make any loan or investment, except as provided in subsection (h) hereof, unless authorized or approved by its board of directors or a committee thereof responsible for supervising or making such investment or loan. The committee's minutes shall be recorded, and a report submitted to the board of directors at its next meeting.”

It is recommended the Company's board of directors, or its committee approve investments at each meeting and such approval should be recorded in the board of directors' meeting minutes pursuant to Section 1411(a) of the New York Insurance Law.

As of December 31, 2023, the principal officers of the Company were as follows:

<u>Name</u>	<u>Title</u>
Paul Allen Mihulka	President
Anthony Lawrence LeHan	Interim Chief Financial Officer
Edward Jyong Park	Group Tax Director
Thomas Clifford Leonardo	Senior Vice President
Patrick John Charles	Senior Vice President
Peiju Peggy Huang	Senior Vice President
Melissa Joy Ralph	Secretary

B. Territory and Plan of Operation

As of December 31, 2023, the Company was licensed to write business in 49 states and in the District of Columbia, Guam, and Canada. The Company is also a qualified reinsurer in Maine.

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:

<u>Paragraph</u>	<u>Line of Business</u>
3	Accident & 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
29	Legal services

The Company is also empowered to transact such workers' compensation insurance as may be incidental 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, 69<sup>th</sup> Congress as amended; 33 USC Section 901 et. seq. as amended).

The Company is authorized by Section 4102(c) of the New York Insurance Law to reinsure risks of every kind or description and to insure property or risks of every kind or description outside of the United States, its territories and possessions.

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 \$35,000,000.



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

<u>Calendar Year</u>	<u>Direct Premiums</u>	<u>Assumed Premiums</u>	<u>Total Gross Premiums</u>
2020	\$305,150,166	\$212,944,795	\$ 518,094,961
2021	\$434,438,297	\$354,342,341	\$ 788,780,638
2022	\$627,836,252	\$859,794,357	\$1,487,630,609
2023	\$637,918,783	\$895,085,012	\$1,533,003,795

The Company writes property and casualty insurance and reinsurance primarily in the United States, Canada, and the Caribbean; workers' compensation insurance in the United States; and accident and health insurance and reinsurance in the United States. Most of the Company's insurance and assumed reinsurance is obtained through managing general agents and reinsurance intermediaries, respectively. The majority of the gross written premium (72%) were in three lines of business: 30% comprehensive hospital and medical, 25% workers' compensation, and 17% other liability.

On October 1, 2021, the Company entered into a transfer and assumption agreement with its wholly owned subsidiary, Oakwood Insurance Company ("Oakwood"). As of the date of the transfer and assumption agreement, the Company assumed all liabilities, known, unknown, and contingent, of Oakwood relating to events occurring on or before the acquisition date.

On January 1, 2023, the Company entered into a whole account quota share reinsurance treaty with its wholly owned subsidiary, SiriusPoint Specialty Insurance Corporation ("Specialty"), whereby the Company assumes 50% of all business written by Specialty for a three-year period.

#### C. Reinsurance Ceded

The Company's ceded reinsurance program falls within four categories: accident & health, casualty, property, and legacy. Legacy refers to all ceded reinsurance prior to the merger with TPRE. The Company entered into a retroactive loss portfolio transfer with Pallas Reinsurance Company which covers most of its legacy ceded program. Accident & health and casualty categories represent 88% of the Company's ceded program, as described below:

<u>Type of Treaty</u>	<u>Cession</u>
<u>Accident &amp; Health</u>	
<u>Specific and Aggregate Medical Benefits</u> <u>Quota Share on specified business</u>	55% quota share up to \$2,000,000 per person in respect of specific excess policies and up to \$5,000,000 per group in respect of aggregate stop loss policies.
<u>Main Specific and Aggregate Medical</u> <u>Benefits Quota Share on specified business</u>	Various quota share participations based on specified schedules.
<u>Specific and Aggregate Medical Benefits</u>	12% of \$3,000,000 excess \$2,000,000 per person in respect of specific excess policies and 12% of \$4,000,000 excess \$1,000,000 of aggregate coverage of specified excess expected claim cost based on specified schedules.
<u>Casualty</u>	
<u>Workers' Compensation Quota Share</u>	17% quota share up to \$1,000,000 of losses on specific attaching policies.
<u>Workers' Compensation Quota Share</u>	62% quota share up to \$2,000,000 of losses on specific attaching policies.
<u>Workers' Compensation Catastrophe</u> <u>Excess of Loss</u>	17% of \$1,000,000 excess \$1,000,000 of ultimate net loss arising out of each loss occurrence.

The majority of the business was ceded to authorized unaffiliated reinsurers. This is a change since the last examination in which the majority of the Company's business was ceded to unauthorized reinsurers. It is the Company's policy to obtain the appropriate collateral for its cessions to unauthorized reinsurers in accordance with the terms of the reinsurance agreements.

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.

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 Company 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 an attestation from the Company’s Chief Executive Officer and Chief Financial Officer pursuant to the NAIC annual statement instructions. 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.

#### Loss Portfolio Transfer/Retroactive Reinsurance

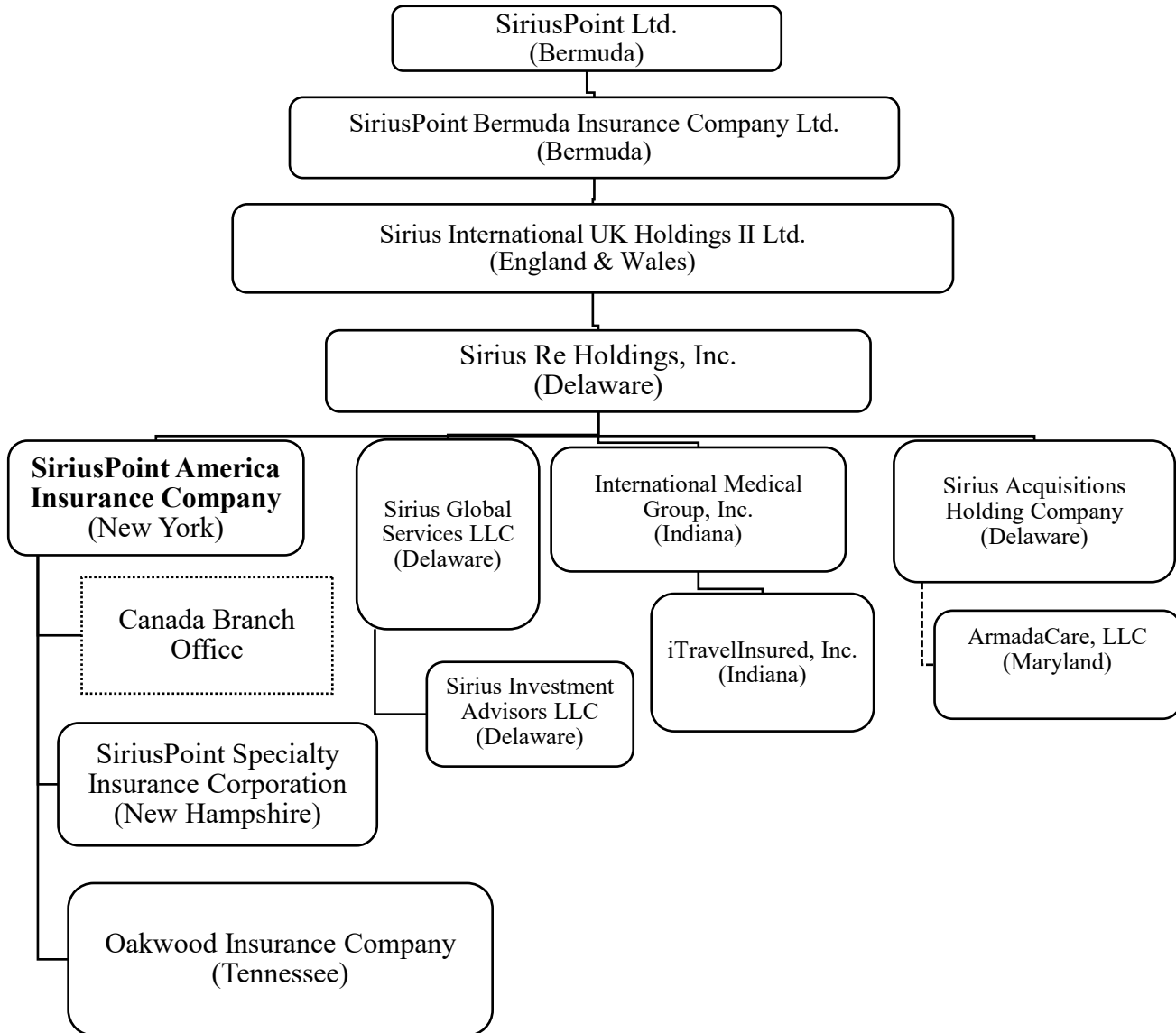
Effective October 29, 2021, the Company entered into a ceded loss portfolio transfer with an unauthorized non-affiliated reinsurer, whereby the reinsurer agreed to assume 100% of the Company’s loss and allocated loss adjustment expense reserves outstanding as of January 1, 2021 and relating to accident years 2019 and prior. The agreement transferred initial reserves in the amount of \$377,227,404, for which the Company paid an initial consideration of \$408,421,880; the Company recorded a loss in the amount of \$31,194,476. The agreement provides that the reinsurer will pay the ultimate net loss up to a maximum aggregate amount of \$645,000,000. As of the examination date, there is a contra-liability in the amount of \$281,213,739 related to this agreement.

#### D. Holding Company System

The Company is a member of the SiriusPoint Group. The Company is wholly owned by SReHI, a Delaware corporation, which is ultimately controlled by SPLTD. SPLTD is a Bermuda company formed on February 26, 2021, following a merger between Sirius Group and TPRE. SPLTD is a global underwriter of insurance and reinsurance, of which the Company is a key contributor.

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, 2023:



### Holding Company Agreements

At December 31, 2023, the Company was party to the following agreements with other members of its holding company system:

#### Services, Resource Support and Facilities Agreement

The Company and various affiliates are parties to an Amended and Restated Services, Resource Support and Facilities Agreement, effective March 16, 2015, and subsequently amended multiple times. Pursuant to the terms of the agreement, the Company, Sirius Global Services LLC, SiriusPoint Bermuda Insurance Company, Ltd. and SiriusPoint International Insurance Corporation provide executive level “C-

Suite” services, actuarial support, insurance risk management, including corporate-wide catastrophe modeling and advance modeling projections on catastrophe exposures, bookkeeping, accounting and financial reporting, tax reporting, legal, human resources support, website management, IT helpdesk & network support, and treasury services to specified affiliates. Pursuant to the terms of the agreement, reimbursement is made to and by the Company on a cost basis in accordance with the requirements of Department Regulation 30.

#### Expense Allocation Agreement

The Company and various affiliates are parties to an Amended and Restated Expense Allocation Agreement, effective February 23, 2015, and subsequently amended multiple times. Pursuant to the terms of the agreement, the Company provides human resources support, IT and network support, office space, and other services such as internal audit services to specified affiliates. SReHI (formerly, Sirius Global Solutions, Inc.) provides services such as bookkeeping, financial and regulatory reporting services, administrative, claims management, and actuarial services to specified affiliates. Pursuant to the terms of the agreement, reimbursement is made to and by the Company on a cost basis in accordance with the requirements of Department Regulation 30.

#### Transfer Pricing Agreement

The Company and various affiliates including Sirius Global Services LLC are parties to a Transfer Pricing Service Agreement, effective December 31, 2023. Pursuant to the terms of the agreement, the Company receives and provides specified services at cost plus markup. Costs are calculated on an accrual basis and proportionally allocated to recipient parties.

#### Investment Agreement

The Company and various affiliates are parties to an investment management agreement with Sirius Investment Advisors LLC (“SIA”), effective September 16, 2016, and subsequently amended multiple times. Pursuant to the terms of the agreement, SIA manages, on a discretionary basis, the Company’s portfolio, subject to regulatory rules and regulations. The Company pays SIA an investment management fee and is responsible for all costs and expenses directly incurred by SIA on behalf of the Company, including custodial fees, accounting and performance measurement service fees, brokerage commissions, and other expenses reasonably related to the research, purchase, monitoring, sale, or transfer of assets.

### Tax Allocation Agreement

The Company and various affiliates are parties to a tax allocation agreement, effective December 1, 2004, and subsequently amended on numerous occasions. The parties to the agreement file with SReHI a consolidated federal income tax return under the provisions of the Internal Revenue Code of 1986. The agreement stipulates that the Company's tax liability on a consolidated basis would not exceed the liability had the Company filed its tax return on a stand-alone basis.

### Capital Maintenance

In August 2021, SiriusPoint Bermuda Insurance Company Ltd. ("SBDA") and the Company entered into a capital maintenance agreement, which obligates SBDA to make contributions to the Company's surplus in order to maintain surplus equal to at least 125% of the company action level risk-based capital as defined in the NAIC Property/Casualty Risk-Based Capital Report. The agreement provides for a maximum contribution to the Company of \$175 million. No contributions have been required of SBDA under this agreement since its inception.

The Company has several other related party agreements with affiliates in place as of the examination date, as follows:

<u>Agreement</u>	<u>Participant</u>
Managing General Underwriting Agreement, effective January 1, 2018.	ArmadaCare, LLC
Program Manager Agreement, effective September 1, 2020.	International Medical Group, Inc.
Program Manager Agreement, effective March 1, 2022.	iTravelInsured, Inc.

All agreements subject to Section 1505 of the New York Insurance Law were filed with the Department.

### E. Significant Ratios

The Company's operating ratios, computed as of December 31, 2023, fall within the benchmark ranges set forth in the Insurance Regulatory Information System of the NAIC.

<u>Operating Ratios</u>	<u>Result</u>
Net premiums written to policyholders' surplus	177%
Adjusted liabilities to liquid assets	85%
Two-year overall operating	97%

### Underwriting Ratios

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

	<u>Amount</u>	<u>Ratio</u>
Losses and loss adjustment expenses incurred	\$1,948,621,357	67.09%
Other underwriting expenses incurred	1,108,262,808	38.15%
Net underwriting gain (loss)	<u>(152,231,513)</u>	<u>(5.24)%</u>
Premiums earned	<u>\$2,904,652,652</u>	<u>100.00%</u>

The Company's reported risk-based capital ("RBC") score was 354.2% at December 31, 2023. 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 of 200% or below can result in regulatory action.

There were no financial adjustments in this report that impacted the Company's RBC score.

### F. Accounts and Records

#### Annual Statement

Based on a review of the 2023 filed annual statement, it was noted that the Company incorrectly reported the name of one of the reinsurers in Schedule F Part 3; and improperly reported one of the territories in which the Company was licensed in Schedule T.

It is recommended that the Company exercise due care and follow the NAIC annual statement instructions when completing its annual statement.

### Intercompany agreements

Based on a review of the intercompany agreements, it was noted that due to the various name changes and mergers that occurred during the examination period, an undue amount of time was spent in gaining an understanding of which company was providing services and which company was receiving such services.

It is recommended that the Company establish a process to periodically review its organization structure and intercompany agreements to ensure the agreements properly reflect the entities providing or receiving services.



### 3. FINANCIAL STATEMENTS

#### A. Balance Sheet

The following shows the assets, liabilities and surplus as regards policyholders as of December 31, 2023, as reported by the Company:

<u>Assets</u>	<u>Assets</u>	<u>Assets Not Admitted</u>	<u>Net Admitted Assets</u>
Bonds	\$1,127,179,929	\$ 0	\$1,127,179,929
Common stocks	112,604,643	0	112,604,643
Cash, cash equivalents and short-term investments	291,428,470	0	291,428,470
Other invested assets	170,249,380	0	170,249,380
Receivable for securities	1,818,627	0	1,818,627
Investment income due and accrued	12,066,530	0	12,066,530
Uncollected premiums and agents' balances in the course of collection	36,007,987	331,283	35,676,704
Deferred premiums, agents' balances and installments booked but deferred and not yet due	655,156,151	0	655,156,151
Amounts recoverable from reinsurers	14,007,882	0	14,007,882
Funds held by or deposited with reinsured companies	60,094,280	0	60,094,280
Net deferred tax asset	48,924,846	34,433,213	14,491,633
Receivables from parent, subsidiaries and affiliates	4,980,118	0	4,980,118
Aggregate write-ins for other than invested assets	<u>318,308</u>	<u>310,294</u>	<u>8,014</u>
Total assets	<u>\$2,534,837,150</u>	<u>\$35,074,790</u>	<u>\$2,499,762,360</u>

Liabilities, Surplus and Other FundsLiabilities

Losses and loss adjustment expenses	\$1,288,346,864
Reinsurance payable on paid losses and loss adjustment expenses	29,583,710
Commissions payable, contingent commissions and other similar charges	(966,793)
Other expenses (excluding taxes, licenses and fees)	15,354,632
Taxes, licenses and fees (excluding federal and foreign income taxes)	865,384
Current federal and foreign income taxes	(143,362)
Unearned premiums	451,697,567
Ceded reinsurance premiums payable (net of ceding commissions)	98,830,248
Funds held by company under reinsurance treaties	177,523,220
Provision for reinsurance	5,574,257
Payable to parent, subsidiaries and affiliates	49,762,881
Pallas Re – net balances due	(281,213,739)
PCIC LPT – net outstanding loss reserves	22,975,868
Recoverable on ceded retroactive reinsurance contract Stockbridge	(2,337,993)
Allowance for uncollectible reinsurance recoverables	2,932,332
Accounts payable other	<u>14,103,480</u>
Total liabilities	\$1,872,888,556

Surplus and Other Funds

Special surplus funds	\$ 2,337,993
Common capital stock	5,000,000
Gross paid in and contributed surplus	554,465,844
Unassigned funds (surplus)	<u>65,069,967</u>
Surplus as regards policyholders	\$ <u>626,873,804</u>
Total liabilities, surplus and other funds	<u>\$2,499,762,360</u>

Note: The Internal Revenue Service has not audited tax returns covering tax years 2020 and through 2023. 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 \$41,306,303, as detailed below:

### Underwriting Income

Premiums earned		\$2,904,652,652
Deductions:		
Losses and loss adjustment expenses incurred	\$1,948,621,357	
Other underwriting expenses incurred	<u>1,108,262,808</u>	
Total underwriting deductions		<u>3,056,884,165</u>
Net underwriting gain or (loss)		\$(152,231,513)

### Investment Income

Net investment income earned	\$120,610,712	
Net realized capital gain	<u>106,825,849</u>	
Net investment gain or (loss)		227,436,561

### Other Income

Net gain or (loss) from agents' or premium balances charged off	\$ 650,792	
Foreign exchange loss	(1,222,076)	
Other expenses	7,017,966	
Interest on funds held for reinsurance agreements	(1,612,821)	
Gain from retroactive reinsurance	99,343	
Loss from retroactive reinsurance	<u>(31,177,766)</u>	
Total other income or (loss)		\$ <u>(26,244,562)</u>

Net income before dividends to policyholders and before federal and foreign income taxes		\$ 48,960,486
Dividends to policyholders		<u>1,586,943</u>
Net income after dividends to policyholders but before federal and foreign income taxes		\$ 47,373,543
Federal and foreign income taxes incurred		<u>6,067,240</u>
Net income		<u>\$ 41,306,303</u>

C. Capital and Surplus

Surplus as regards policyholders increased \$104,797,717 during the four-year examination period January 1, 2020 through December 31, 2023, as reported by the Company, detailed as follows:

Surplus as regards policyholders, as reported by the Company as of December 31, 2019			\$522,076,088
	<u>Gains in</u>	<u>Losses in</u>	
	<u>Surplus</u>	<u>Surplus</u>	
Net income	\$ 41,306,303		
Net unrealized capital gains or (losses)		\$ 16,499,437	
Change in net unrealized foreign exchange capital gain or loss		10,478,518	
Change in net deferred income tax	19,109,272		
Change in nonadmitted assets		20,347,757	
Change in provision for reinsurance	9,508,867		
Surplus adjustments paid in	145,169,975		
Dividends to stockholders		25,000,000	
Capital contribution adjustment	<u>0</u>	<u>37,970,988</u>	
Total gains and losses	\$215,094,417	\$110,296,700	
Net increase (decrease) in surplus			<u>104,797,717</u>
Surplus as regards policyholders, as reported by the Company as of December 31, 2023			<u>\$626,873,805</u>

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

Capital paid in is \$5,000,000 consisting of 5,000 shares of \$1,000 par value per share common stock. Gross paid in and contributed surplus is \$554,465,844. Gross paid in and contributed surplus increased by \$145,169,975 during the examination period, as follows:

<u>Year</u>	<u>Description</u>		<u>Amount</u>
2020	Beginning gross paid in and contributed surplus		\$409,295,869
2022	Surplus adjustments paid-in	\$80,970,988	
2023	Surplus adjustments paid-in	<u>64,198,987</u>	
	Total surplus contributions		<u>145,169,975</u>
2023	Ending gross paid in and contributed surplus		<u>\$554,465,844</u>

#### 4. **LOSSES AND LOSS ADJUSTMENT EXPENSES**

The examination liability for the captioned items of \$1,288,346,864 is the same as reported by the Company as of December 31, 2023. 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 September 20, 2024, the Department approved a loss portfolio transfer agreement between the Company and Clarendon National Insurance Company, an unaffiliated insurance company, pursuant to Section 1308(e)(1)(A) of the New York Insurance Law, regarding workers' compensation insurance contracts produced by Pie Insurance Services, Inc. ("Pie"). Pie produced workers' compensation insurance on behalf of the Company, pursuant to the Second Amended and Restated Program Agreement ("PMA"), from January 31, 2018 to December 31, 2023, when the PMA expired in accordance with its terms.

Prior to the closing of the loss portfolio transfer agreement, the Company and Pie Casualty Insurance Company ("Pie Casualty") entered into a commutation agreement covering the policies that were reinsured partly by Pie Casualty. The commuted policies are included in the loss portfolio transfer agreement.

#### 6. **COMPLIANCE WITH PRIOR REPORT ON EXAMINATION**

The prior report on examination did not contain any comments or recommendations.

## 7. SUMMARY OF COMMENTS AND RECOMMENDATIONS

<u>ITEM</u>	<u>PAGE NO.</u>
A. <u>Corporate Governance</u>	
i. It is recommended that the Company maintain at least the number of directors pursuant to the New York Insurance Law and its charter.	4
Subsequent to the examination date, the Company appointed two new directors to bring it into compliance with the New York Insurance Law and its charter.	
ii. It is recommended the Company comply with its by-laws by ensuring that board of directors are elected in accordance with such by-laws.	5
Subsequent to the examination date, the Company submitted to the Department its Third Amended and Restated By-Laws, dated March 2024. The Company confirms that it will continue to elect directors in accordance with the Third Amended and Restated By-Laws.	
iii. It is recommended the Company's board of directors, or its committee approve investments at each meeting and such approval should be recorded in the board of directors' meeting minutes pursuant to Section 1411(a) of the New York Insurance Law.	5
B. <u>Accounts and Records</u>	
i. It is recommended that the Company exercise due care and follow the NAIC annual statement instructions when completing its annual statement.	13
ii. It is recommended that the Company establish a process to periodically review its organization structure and intercompany agreements to ensure the agreements properly reflect the entities providing or receiving services.	14

Respectfully submitted,

\_\_\_\_\_/S/\_\_\_\_\_  
Dilbrina Belgrave, AFE, CISA, PIR  
Financial Services Specialist 4

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

Dilbrina Belgrave, being duly sworn, deposes and says that the foregoing report, subscribed by her, is true to the best of her knowledge and belief.

\_\_\_\_\_/S/\_\_\_\_\_  
Dilbrina Belgrave

Subscribed and sworn to before me

this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

*NEW YORK STATE*

*DEPARTMENT OF FINANCIAL SERVICES*

*I, Adrienne A. Harris, 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:*

***Dilbrina Belgrave***

*as a proper person to examine the affairs of the*

***SiriusPoint America Insurance Company***

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

***COMPANY***

*with such other information as she 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 31st day of October, 2022*

*ADRIENNE A. HARRIS  
Superintendent of Financial Services*

*By:*

*Joan Riddell*

*Joan Riddell  
Deputy Bureau Chief*

