REPORT ON EXAMINATION
OF
DMB&B USA INSURANCE, INC.

AS OF DECEMBER 31, 2022

EXAMINER: **WEI CAO**
DATE OF REPORT: **APRIL 24, 2024**

TABLE OF CONTENTS

ITEM NO.		PAGE NO.
1.	Scope of examination	2
2.	Description of Company	2
	A. Articles of incorporation	2
	B. By-laws	3
	C. Capital structure	3
	D. Corporate records	3
	E. Operations	3
	F. Management and control	3
	G. Certified public accountant	5
3.	Financial statements	6
	A. Balance sheet	6
	B. Statement of income	7
	C. Capital and surplus account	8
4.	Losses and loss adjustment expenses	8
5.	Article 70 compliance	8
6	Summary of comments and recommendations	9

November 5, 2025

Honorable Kaitlin Asrow
Acting Superintendent
New York State Department of Financial Services
Albany, New York 12257

Madam:

Pursuant to the requirements of the New York Insurance Law, and in compliance with the instructions contained in Appointment Number 32574 dated September 21, 2023, attached hereto, I have made an examination into the condition and affairs of DMB&B US Insurance, Inc. as of December 31, 2022, and submit the following report thereon.

Wherever the designation "the Company" appears herein without qualification, it should be understood to indicate DMB&B US Insurance, Inc.

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 examination covers the period from January 1, 2018, through December 31, 2022, and was limited in its scope to a review or audit of only those balance sheet items considered by this Department to require analysis. Transactions occurring subsequent to this period were review where deemed appropriate. The examination included a review of Company records deemed necessary to accomplish such analysis or verification. Additionally, a review was performed to determine whether the captive insurer was operating within its by-laws, conforming with its plan of operation, as submitted to the New York State Department of Financial Services, and was in compliance with Article 70 of the New York Insurance Law ("the Law").

Comments and recommendations are limited to those items requiring financial adjustment, procedural recommendations, or instances where the Company was not conforming to the application submitted to the Department or Article 70 of the Law.

The report utilized work performed by the Company's independent certified public accountant and its opining actuary to the extent considered appropriate.

2. DESCRIPTION OF COMPANY

DMB&B USA Insurance, Inc. was incorporated under the laws of New York State as a captive insurance company on December 5, 2007, and commenced operations on December 20, 2007. The Company is a wholly owned subsidiary of MMS USA Holdings, Inc., a Delaware based holding company for the U.S. subsidiaries of Publicis Groupe S.A.

Publicis Groupe S.A. ("the Parent") is a global leader in digital and traditional advertising, media, and marketing services. The Company provides insurance coverage and risk management services for its affiliated companies within the Publicis Groupe network.

A. Article of Incorporation

The Company is organized to transact the kinds of insurance specified in Section 1113(a) of the New York Insurance Law, subject at all times to the limitations on the business of pure captive insurance companies set forth in Article 70 of the Law.

B. By-Laws

The examination found that the Company was in compliance with its by-laws in all material respects.

C. Capital Structure

As a pure captive insurance company incorporated as a stock insurer, the Company is required to maintain a total surplus as regards policyholders of not less than $250,000, of total $100,000 shall represent paid in capital pursuant to the provisions of Section 7004(a)(1) of the Law.

As of December 31, 2022, the Company's paid in capital was $20,014,001, consisting of $100,000 shares of common stock with a par value of $1 per share and an additional paid in capital amount of $19,914,001. The Company had retained earnings of $325,180,488 for a total capital and surplus (surplus as regards policyholders) of $345,194,489.

D. Corporate Records

The corporate records reviewed appeared to be substantially accurate and complete in all material respects.

E. Operations

The Company was established to provide insurance coverage exclusively to the Parent, as well as the Parent's subsidiaries and affiliates. The Company does not provide insurance coverage to any unaffiliated third parties.

During the period covered by the examination, the Company's primary lines of business included deductible reimbursement, excess policy, integrated risk policy, property and terrorism, and production-related deductible reimbursement coverages.

F. Management and Control

(i) Captive Manager

Section 7003(b)(4) of the Law provides that no captive insurer shall do any captive insurance business in this State unless it utilizes a captive manager resident in this State that is licensed as an agent or broker under the provisions of Article 21 of the Law, or any other person approved by the

Superintendent. During the period covered by this examination, the Company was managed by Willis Towers Watson Management (Vermont), Ltd. ("Willis"), which is authorized to act as a manager for captive insurance companies by the Department.

Pursuant to a management agreement effective December 5, 2007, Wills has the responsibility for providing underwriting, policyholder service, claims, advice on insurance program, insurance administration, and advice on reinsurance.

(ii) Board of Directors

Pursuant to the Company's by-laws, the business and affairs of the Company shall be managed under the direction of the Board of Directors. The number of Directors shall be no fewer than three nor more than ten, and at least two of whom shall be residents of New York State. At December 31, 2022, the Board of Directors was comprised of the following five members:

Name and Residence	Principal Business Affiliation
Thomas Caffrey Boston, MA	Chief Executive Officer, Publicis Re: Sources
Mark Clare Northport, NY	Senior Vice President, USA Tax, Publicis Re: Sources
Rachel Guibert Suresnes, France	Group Insurance Director, Publicis Groupe
Adam Holmes Brooklyn, NY	Senior Vice President, Account Management, Publicis Re: Sources
Richard Meehan Highlands, NJ	Senior Vice President, North American, Publicis Re: Sources

During the period covered by the examination, the Board of Directors met once each year. A review of the meeting minutes indicated that all meetings were well attended.

(iii) Officers

As of December 31, 2022, the principal officers of the Company were as follows:

Name	Title
Thomas Caffrey	President
Mark Clare	Vice President
Jason Palmer	Vice President
Adam Holmes	Secretary
Richard Meehan	Treasurer

G. Certified Public Accountant

Crowe LLP ("Crowe") served as the Company's independent certified public accounting firm for the period covered by the examination. Crowe reported that the Company's accompanying financial statements present fairly, in all material respects, the financial position of DMB&B US Insurance, Inc. as of December 31, 2022, and the results of its operations and cash flows for the year then ended was in conformity with accounting principles generally accepted in the United States of America.

3. FINANCIAL STATEMENTS

A. Balance Sheet

The financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America.

Assets		
Cash	$51,643,564	
Loans to affiliates	373,233,947	
Accrued interest	773,212	
Ceded unearned premium	51,459	
Deferred policy acquisition costs	185,368	
Due from affiliates	22,685	
Premium receivable	927,517	
Prepaid expenses and other assets	147,972	
Deferred tax asset	3,260,027	
Total assets		$430,245,751
Liabilities		
Unearned premium	$77,546,838	
Unpaid losses and loss adjustment expenses	2,367,507	
Accrued expenses	108,887	
Claims payable	291,656	
Due to affiliate	21,150	
Federal income tax payable to Parent	4,715,224	
Total liabilities		$85,051,262
Capital and Surplus		
Common stock	$100,000	
Additional paid in capital	19,914,001	
Retained earnings	325,180,488	
Total capital and surplus		345,194,489
Total liabilities and surplus		$430,245,751

B. Statement of Income

The Company's net income for the period covered by the examination was $308,601,828 as detailed below:

Underwriting Income		
Net premiums earned		$388,412,352
Deductions:		
Incurred losses and loss adjustment expenses	$19,884,864	
Premium taxes	1,594,526	
General administrative expenses	5,842,092	
Total operating deductions		27,321,482
Total underwriting income		361,090,870
Investment Income		25,835,739
Net Miscellaneous Income		3,727,715
Total income before taxes		390,654,324
Federal income tax expenses	82,052,496	
Net income		$308,601,828

C. Capital and Surplus Account

The Company's capital and surplus decreased $33,395,730 during the period covered by this examination, detailed as follows:

Capital and surplus as of January 1, 2018			$378,590,219
	Increase in surplus	Decrease in surplus	
Net income	$308,601,828		
Dividends		$341,997,558	
Total increase and decrease in surplus	308,601,828	341,997,558	
Net decrease in surplus			33,395,730
Capital and surplus as of December 31, 2022			$345,194,489

4. LOSSES AND LOSS ADJUSTMENT EXPENSES

As of December 31, 2022, the Company report total losses and loss adjustment expense reserves of $2,367,507. The Company's opining actuarial firm, WTW, stated in its Statement of Actuarial Opinion that, in its professional judgement, the reported statutory reserves were computed in accordance with relevant standards of practice promulgated by the Actuarial Standards Board and met the requirements of the captive insurance laws of New York. The actuary further noted that the reserves make a reasonable provision, in the aggregate, for all unpaid losses and loss adjustment expense obligations of the Company under the terms of its contracts and agreements.

5. ARTICLE 70 COMPLIANCE

Article 70 of the New York State Insurance Law is the governing section of the Law for the formation and continued operation of captive insurers in New York State. A review was performed to test the Company's compliance with all applicable parts of Article 70. No significant areas of non-compliance were found.

6. SUMMARY OF COMMENTS AND RECOMMENDATIONS

There are no comments or recommendations in this report.

Respectfully submitted,

/S/
Wei Cao
Senior Insurance Examiner

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

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

/S/
Wei Cao

Subscribed and sworn to before me

this_____ day of_____, 2025

APPOINTMENT NO. 32574

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:*

Wei Cao

as a proper person to examine the affairs of the

DMB&B USA Insurance, Inc.

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 21st day of September, 2023

ADRIENNE A. HARRIS
Superintendent of Financial Services

By: Joan Riddell

Joan Riddell
Deputy Bureau Chief