REPORT ON EXAMINATION
OF
GLOBAL REINSURANCE CORPORATION OF AMERICA

AS OF DECEMBER 31, 2024

EXAMINER: **JESSIE ADAMSON CFE, CISA, CIA**
DATE OF REPORT: **MAY 29, 2026**

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May 29, 2026

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 32834 dated August 14, 2025, attached hereto, I have made an examination into the condition and affairs of GLOBAL Reinsurance Corporation of America as of December 31, 2024, and submit the following report thereon.

Wherever the designation "the Company" appears herein without qualification, it should be understood to indicate GLOBAL Reinsurance Corporation of America.

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 Global Reinsurance Corporation of America, a multi-state insurer. The previous examination was conducted as of December 31, 2019. This examination covered the 5-year period from January 1, 2020, through December 31, 2024. Transactions occurring subsequent to this period were reviewed where deemed appropriate by the examiner.

The examination was performed as part of the group examination of the Randall & Quilter Investment Group. The group examination included Oklahoma domiciled National Legacy Insurance Company as well as the Company. Oklahoma participated in the examination.

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 regarding 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 COMPANY

The Company was incorporated under the laws of the State of New York on August 7, 1940, and commenced business on September 5, 1940. Pursuant to Department records, on March 26, 1951, it changed its name to Constitution Reinsurance Corporation. On March 12, 1970, it changed its name to Constitution Insurance Corporation. On July 13, 1999, the Company's name reverted to Constitution Reinsurance Corporation.

Effective October 27, 1998, the Company's ultimate parent was acquired by Gerling Global U.S. Investments, Inc., a Delaware investment holding company, which was ultimately controlled by Gerling - Konzern Rueckversicherungs Aktiengesellschaft ("GKG"), of Cologne, Germany. Effective May 1, 1999, the Company changed its name to Gerling Global Reinsurance Company of America. Effective August 5, 2002, GKG announced its voluntary withdrawal from the United States property/casualty reinsurance market. As a result, the Company stopped writing new business and placed itself into voluntary run-off. On November 9, 2005, the Company adopted its current name, GLOBAL Reinsurance Corporation of America. Effective December 28, 2007, the Company was acquired by GLOBALE Management, GmbH ("GMG"), and its parent company GLOBALE Beteilingungs.

Effective January 1, 2008, the Company entered into an assumption agreement whereby all direct policy obligations of Constitution Insurance Company ("CIC"), its wholly owned subsidiary, were transferred to the Company. On May 6, 2009, the Company sold CIC as a "shell" company to an unaffiliated third party.

Effective July 12, 2012, the Department approved the domestication of the United States Branch of Global Reinsurance Corporation ("the Branch"), an affiliate of the Company. The Branch was originally licensed in the State of New York on January 29, 1963, as the United States Branch of Gerling-Konzern Ruckversicherungs Aktiengesellschaft (now known as Globale Germany). Globale Germany, as was the Company, was ultimately owned by GLOBALE Beteilingungs. The Branch had been in run-off since 1997. Under the domestication of the Branch, its surplus was returned to its parent, and the assets and liabilities were transferred into the Company with no net surplus contribution.

In 2014, the Department approved the re-statement of the Company's negative unassigned surplus of $(168,116,349) to $0 by reducing its gross paid-in and contributed surplus in accordance with SSAP No. 72 under a quasi-reorganization.

Effective June 12, 2014, the Department approved the acquisition of the Company and its parent Global U.S. Holding, Inc. ("GUSHI") by AXA DBIO S.C.A., an insurance holding company located in Luxembourg.

Effective April 22, 2019, the Department approved the acquisition of the Company and its parent, GUSHI, by Randall & Quilter America Holdings, Inc. ("RQAH").

Effective February 1, 2023, RQAH contributed its shares of the Company, valued at $78,723,072, to National Legacy Insurance Company ("NLIC"), a wholly owned subsidiary of Grafton US Holdings, Inc. ("Grafton"), a Delaware-domiciled company.

On June 23, 2023, pursuant to a Contribution Agreement, RQAH contributed all of its shares of NLIC, a wholly owned US subsidiary company to Grafton.

The Company is a member of an Insurance Holding Company System, as defined in New York Insurance Law § 1501(a)(6). The Company is a wholly owned subsidiary of National Legacy Insurance Company, which is a wholly owned subsidiary of Grafton, a wholly owned subsidiary of Randall & Quilter UK Holdings LIMITED, which in turn is a wholly owned subsidiary of Randall & Quilter Insurance Holdings, Ltd. ("RQIH"), the ultimate controlling person. RQIH operates as a specialty insurance company headquartered in Hamilton, Bermuda and operates in the United Kingdom, North America, and Europe. On June 21, 2024, RQIH, the ultimate controlling parent, filed an application in the Bermuda Supreme Court, to liquidate and petition to appoint Joint Provisional Liquidators ("JPLs") to oversee the liquidation and take initial steps to commence the winding up of RQIH. Subsequent to the examination period, Joint Liquidators were appointed on September 25, 2025. RQIH remains in liquidation under the administration of the Joint Liquidators.

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 at least three times during each calendar year. At December 31, 2024, the board of directors comprised of the following five members:

Name and Residence	Principal Business Affiliation
Gerald James Caldwell Illinois	Non-Executive Director, GLOBAL Reinsurance Corporation of America
John William Fischer Maine	Non-Executive Director, GLOBAL Reinsurance Corporation of America
Hillary Beth Jarvis Virginia	North America General Counsel Chief Claims and Operations Officer, R&Q Solutions LLC
Desiree Rose Mecca Pennsylvania	Head of Legacy Finance, R&Q Solutions LLC
Parri Ian Spector New York	President, Global Reinsurance Corporation of America and National Legacy Insurance Company

A review of the minutes of the board of directors' meetings held during the examination period indicated that there was an insufficient number of board members to comply with charter, article IV and bylaws, article 1, section 1.

It is recommended that the Company comply with the relevant section of its charter and bylaws by appointing the required number of board members.

Subsequent to the exam date, Hillary Jarvis is no longer a Director at the Company.

As of December 31, 2024, the principal officers of the Company were as follows:

Name	Title
Parri Ian Spector	President
Desiree Rose Mecca	Treasurer

B. Territory and Plan of Operation

As of December 31, 2024, the Company was licensed to write business in 33 states and in the District of Columbia. The Company also maintains accredited reinsurer or qualified status in 14 other states. During the examination period, the Company continued to administer the run-off of its business.

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
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
22	Residual value
24	Credit unemployment
26	Gap
27	Prize indemnification
28	Service contract reimbursement
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, 69th Congress as amended; 33 USC Section 901 et. seq. as amended).

The Company is also authorized per Section 4102(c) of the New York Insurance Law, to reinsure risks of every kind or description and insure property or risks of every kind or description located or resident outside of the United States, its territories or 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 Company's surplus exceeded this amount as of December 31, 2024.

A review of the state licenses noted that the Company incorrectly reported licensure status in two states.

It is recommended that the Company take due care in completion of Annual Statement Schedule T.

C. Reinsurance Assumed

The Company has been in run-off since 2002. Consequently, it has not assumed business since 2002.

D. Reinsurance Ceded

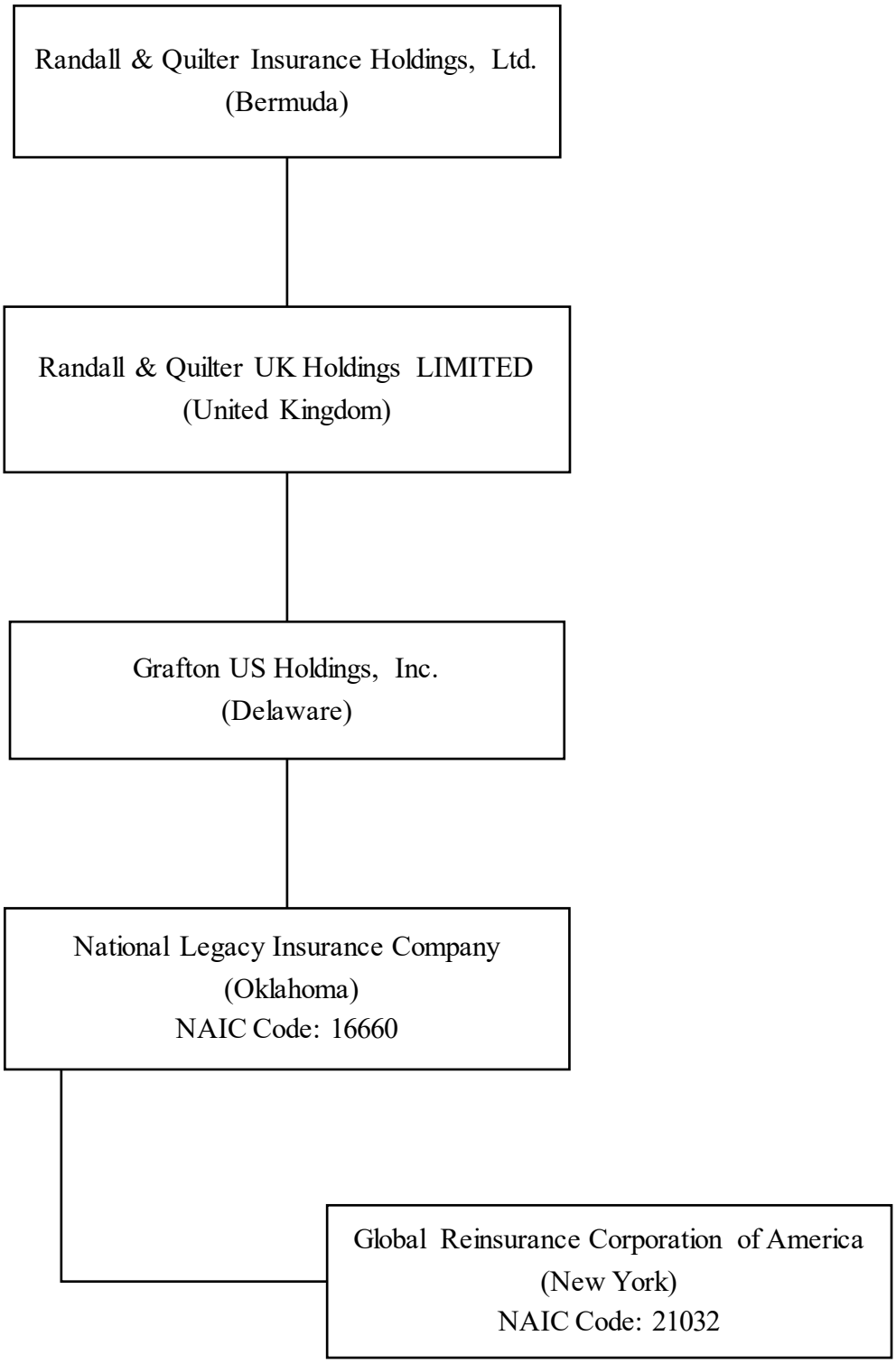
The Company has been in run-off since 2002. Consequently, its ceded reinsurance program then in place was not renewed and was terminated on a run-off basis. The Company's financial statement reflects approximately $29,869,000 in statutory reinsurance credit with approximately $7,628,000 recorded as paid loss and loss adjustment expense recoverable and $22,241,000 reflected as a reduction in reserve liabilities.

E. Holding Company System

The Company is a member of the Randall & Quilter Investment Group. The Company is 100% owned by, or a wholly owned subsidiary of National Legacy Insurance Company, an Oklahoma corporation, which is ultimately controlled by Randall and Quilter Insurance Holdings, Ltd.

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, 2024:


Randall & Quilter Insurance Holdings, Ltd.
(Bermuda)
Randall & Quilter UK Holdings LIMITED
(United Kingdom)
Grafton US Holdings, Inc.
(Delaware)
National Legacy Insurance Company
(Oklahoma)
NAIC Code: 16660
Global Reinsurance Corporation of America
(New York)
NAIC Code: 21032

Holding Company Agreements

At December 31, 2024, the Company was party to the following agreements with other members of its holding company system:

Shared Services & Joint Cost Allocation Agreement

Effective May 4, 2020, the Company entered into a shared services agreement with various affiliated entities within the R&Q Investment Group, including but not limited to the following parties: R&Q Reinsurance Company, R&Q RI Insurance Company, National Legacy Insurance Company, Transport Insurance Company, Accredited Surety and Casualty Insurance Company, Inc., and Accredited Specialty Insurance Company. The agreement provides that the companies provide administrative and other services with respect to their operations as well as share property, equipment, and facilities. The parties agreed to reimburse one another for all services, property, equipment, and facilities. The fees owed by each party are to be settled monthly. The agreement was filed and non-disapproved by the Department pursuant to Section 1505 of the New York Insurance Law. The agreement replaced the existing Shared Services and Joint Cost Allocation Agreement effective May 2, 2019. Subsequent to the examination date, the agreement was terminated on December 31, 2025.

Tax Sharing Agreement

Effective January 1, 2020, the Company entered into a tax sharing agreement with various affiliated entities within the R&Q Investment Group, including but not limited to the following parties: Randall & Quilter America Holdings, Inc., R&Q Reinsurance Company, Transport Insurance Company, R&Q RI Insurance Company, National Legacy Insurance Company, Accredited Surety and Casualty Company, Inc., and Accredited Specialty Insurance Company. The agreement provides that the parties agree to file a consolidated federal income tax return, and as appropriate, consolidated state income tax returns. The parties agreed to settle fees quarterly. The agreement was submitted to the Department pursuant to the provisions of Department Circular Letter No. 33 (1979). The agreement replaced the existing Tax Allocation Agreement effective May 2, 2019.

F. Risk Management and Internal Controls

Prior to the appointment of JPLs, the Company operated under the oversight of an established R&Q Group formal risk management, internal audit and compliance framework. The Company's status as a run-off entity since 2002, combined with the liquidation of its ultimate parent, has resulted in a reduced

operational footprint and staffing levels. As a result, following the liquidation, the Company maintains a limited risk management and internal control framework. The examination procedures identified limited documentation supporting formalized risk management and internal control review activities during the examination period, though certain related activities appeared to occur on an informal or ad hoc basis. Independent external auditors performed substantive testing of the Company's assets, liabilities, and surplus and concluded that such amounts were fairly stated, in all material respects, as of the reporting date. The examination reviewed the results of the external audit and performed additional substantive procedures as deemed necessary.

It is recommended that internal control activities be appropriately documented.

3. FINANCIAL STATEMENTS

A. Balance Sheet

The following shows the assets, liabilities and surplus as regards policyholders as of December 31, 2024, as reported by the Company:

Assets

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	$ 89,785,858	$ 0	$ 89,785,858
Preferred stocks	46,750	0	46,750
Common stocks	454,657	0	454,657
Cash, cash equivalents and short-term investments	19,721,388	0	19,721,388
Other invested assets	204,950	0	204,950
Investment income due and accrued	819,357	0	819,357
Amounts recoverable from reinsurers	7,628,150	0	7,628,150
Funds held by or deposited with reinsured companies	1,116,925	0	1,116,925
Current federal and foreign income tax recoverable and interest thereon	935,925	0	935,925
Total assets	$ 120,713,959	$ 0	$ 120,713,959

Note: Differences are attributed to rounding

Liabilities, Surplus, and Other Funds

Liabilities

Losses and loss adjustment expenses		$ 71,676,656
Reinsurance payable on paid losses and loss adjustment expenses		795,286
Other expenses (excluding taxes, licenses and fees)		560,462
Funds held by company under reinsurance treaties		211,538
Remittances and items not allocated		118,145
Provision for reinsurance		6,145,169
Payable to parent, subsidiaries and affiliates		55,474
Payable for securities		462,755
Total liabilities		$ 80,025,485

Surplus and Other Funds

Common capital stock	$ 13,061,641	
Gross paid in and contributed surplus	63,094,222	
Unassigned funds (surplus)	(35,467,389)	
Surplus as regards policyholders		$ 40,688,474
Total liabilities, surplus and other funds		$ 120,713,959

Note: The Internal Revenue Service has not audited tax returns covering tax years 2020 through 2024. 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 loss for the examination period as reported by the Company was $27,957,115, as detailed below:

Underwriting Income		
Premiums Earned		$ (188,103)
Deductions:		
Losses and loss adjustment expenses incurred	$ 28,550,018	
Other underwriting expenses incurred	20,466,392	
Total underwriting deductions		49,016,410
Net underwriting gain or (loss)		$ (49,204,513)
Investment Income		
Net investment income earned	$ 23,272,596	
Net realized capital gain or (loss)	(869,218)	
Net investment gain or (loss)		22,403,378
Other Income		
Net gain or (loss) from agent's or premium balances charged off	$ (217,256)	
Miscellaneous other income or (expense)	(63,103)	
Total other income or (loss)		(280,359)
Net income before federal and foreign income taxes		$ (27,081,494)
Federal and foreign taxes incurred		875,621
Net loss		$ (27,957,115)

C. Capital and Surplus

Capital paid in, as reported by the Company, is $13,061,641 consisting of 3,914 shares of $3,337.17 par value per share common stock. A $42 variance was identified and the Company communicated it will update capital paid in to $13,061,683 for future financial filings. Gross paid in and contributed surplus is $63,094,222. Capital paid in and/or gross paid in and contributed surplus decreased by $4,880,519 during the examination period, as follows:

Year	Description		Amount
2019	Beginning gross paid in and contributed surplus		$67,974,742
2020	Surplus distribution	$ 4,880,519	
	Total surplus distributions		4,880,519
2024	Ending gross paid in and contributed surplus		$63,094,222

Note: Differences are attributed to rounding

Surplus as regards policyholders decreased $50,185,123 during the five-year examination period January 1, 2020, through December 31, 2024, as reported by the Company, detailed as follows:

Surplus as regards policyholders as reported by the Company as of December 31, 2019			$90,873,598
	Gains in Surplus	Losses in Surplus	
Net loss		$ 27,957,115	
Change in net unrealized capital gains or (losses)		296,324	
Change in provision for reinsurance		4,345,429	
Capital changes paid in		1,134,680	
Change in gross paid in and contributed surplus		4,880,519	
Dividends to stockholders	$0	11,571,056	
Total gains and losses	$0	$ 50,185,123	
Net increase (decrease) in surplus			(50,185,123)
Surplus as regards policyholders as reported by the Company as of December 31, 2024			$40,688,475

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 $71,676,656 is the same as reported by the Company as of December 31, 2024. 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.

The Company has significant exposure to Asbestos and Environmental ("A&E") claims with net A&E reserves of $50.144 million, which comprises approximately 70% of the Company's total net reserves. The Company also has exposure to general and product liability claims associated with high-limit excess of-loss and umbrella policies.

During the examination period, the Group retained an internal actuarial function that performed internal, independent reviews. Subsequent to the liquidation, it was noted that the Company did not have a formal documented process for internal review and approval of the Schedule P reconciliation.

It is recommended that the Company create and document a process for internal peer-review and approval of the Schedule P reconciliation.

5. COMPLIANCE WITH PRIOR REPORT ON EXAMINATION

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

ITEM		PAGE NO.
A.	Territory and Plan of Operation It was recommended that the Company take due care in completion of Annual Statement Schedule T. The Company has not complied with this recommendation. A similar comment is made in this report.	5
B.	Losses and Loss Adjustment Expenses	
i.	It was recommended that the Company develop a process for making actuarial filings available to the board of directors and documenting it in the minutes. The Company has complied with this recommendation.	13
ii.	It was recommended that the Company implement its proposal to create and document a process for internal peer-review and approval of the Schedule P reconciliation. The Company has not complied with this recommendation. A similar comment is made in this report.	13

6. SUMMARY OF COMMENTS AND RECOMMENDATIONS

ITEM		PAGE NO.
A.	Corporate Governance It is recommended that the Company comply with the relevant section of its charter and bylaws by appointing the required number of board members.	5
B.	Territory and Plan of Operations It is recommended that the Company take due care in completion of Annual Statement Schedule T..	7
C.	Risk Management and Internal Controls It is recommended that internal control activities be appropriately documented.	10

D. Losses and Loss Adjustment Expenses

It is recommended that the Company create and document a process for internal peer-review and approval of the Schedule P reconciliation. 15

Respectfully submitted,

_____/S/_____
Jessie L. Adamson, CFE, CISA, CIA
Examiner-In-Charge Representing New York Department of Financial Services

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

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

_____/S/_____
Jessie L. Adamson

Subscribed and sworn to before me

this_____ day of_____, 2026.

APPOINTMENT NO. 32834

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:*

Jessie Adamson

as a proper person to examine the affairs of the

GLOBAL Reinsurance Corporation of America

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 14th day of August 2025

ADRIENNE A. HARRIS
Superintendent of Financial Services

By: Eileen Fox

Eileen Fox
Assistant Deputy Superintendent