

STATE OF INDIANA ) BEFORE THE INDIANA  
 ) SS: COMMISSIONER OF INSURANCE  
COUNTY OF MARION )

IN THE MATTER OF: )

Infinity Insurance Company )  
500 East 96th Street, Suite 100 )  
Indianapolis, Indiana 46240 )

Examination of: **Infinity Insurance Company**

**NOTICE OF ENTRY OF ORDER**

Enclosed is the Final Order entered by Holly W. Lambert, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of Infinity Insurance Company, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as amended by the Final Order, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of Infinity Insurance Company, shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

\_\_\_\_\_  
Date

6/20/2025

\_\_\_\_\_  
Roy Eft  
Chief Financial Examiner

**CERTIFIED MAIL NUMBER: 7019 0070 0000 3590 3697**

STATE OF INDIANA ) BEFORE THE INDIANA  
 ) SS: COMMISSIONER OF INSURANCE  
COUNTY OF MARION )

IN THE MATTER OF: )

**Infinity Insurance Company** )  
500 East 96th Street, Suite 100 )  
Indianapolis, Indiana 46240 )

Examination of: **Infinity Insurance Company**

### **FINDINGS AND FINAL ORDER**

The Indiana Department of Insurance conducted an examination into the affairs of the Infinity Insurance Company (hereinafter “Company”) for the time period January 1, 2022, through December 31, 2023.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter “Commissioner”) by the Examiner on May 28, 2025.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on May 28, 2025, and was received by the Company on June 2, 2025.

On June 18, 2025, pursuant to Ind. Code § 27-1-3.1-10, the Company filed a response to the Verified Report of Examination. The Commissioner has fully considered the Company’s response.

NOW THEREFORE, based on the Verified Report of Examination and the response filed by the Company, the Commissioner hereby FINDS as follows:

1. The suggested modifications to the Verified Report of Examination submitted by the Company are reasonable and shall be incorporated into the Verified Examination Report. A copy of the Verified Report of Examination, as amended, is attached hereto.

2. The Verified Report of Examination, as amended, is true and accurate report of the financial condition and affairs of the Company as of December 31, 2023.
3. The Examiners' recommendations are reasonable and necessary in order for the Company to comply with the insurance laws of the state of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, as amended, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.
2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination, as amended. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.
3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed this 30<sup>th</sup> day of  
June, 2025.

Holly W. Lambert  
Holly W. Lambert  
Insurance Commissioner  
Indiana Department of Insurance

## **ABOUT AFFIRMATIONS**

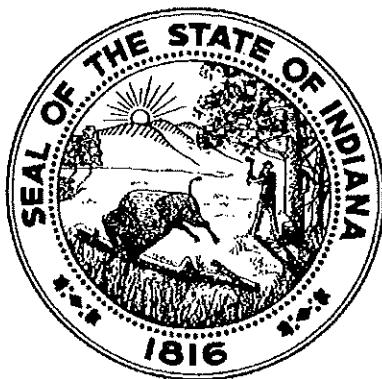
The following pages for affirmations need to be signed by each Board Member and returned to the Indiana Department of Insurance within thirty (30) days in accordance with I.C. §27-1-3.1-12(b).

If your affirmations list individuals that are no longer on your Board of Directors, you may simply retype the form on plain white paper with the correct names and a line to the right for signature. If the names are misspelled, you may do the same, simply re-type the corrected form with a line to the right for signature.

Should you have any questions or difficulties with these forms or you require additional time past the thirty (30) day requirement, please do not hesitate to contact this department at (317) 232-2390.

STATE OF INDIANA  
Department of Insurance  
REPORT OF EXAMINATION  
OF  
INFINITY INSURANCE COMPANY  
NAIC Co. CODE 22268  
NAIC GROUP CODE 0215

As of  
December 31, 2023



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# STATE OF INDIANA

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MIKE BRAUN, GOVERNOR

**Indiana Department of Insurance**

Holly W. Lambert, Commissioner  
311 W. Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: 317-232-3520  
Fax: 317-232-5251  
Website: [in.gov/idoi](http://in.gov/idoi)

May 28, 2025

Honorable Holly W. Lambert, Commissioner  
Indiana Department of Insurance  
311 West Washington Street, Suite 300  
Indianapolis, Indiana 46204-2787

Dear Commissioner:

Pursuant to the authority vested in Appointment Number 4198, an examination has been made of the affairs and financial condition of:

**Infinity Insurance Company**  
**500 East 96th Street, Suite 100**  
**Indianapolis, Indiana 46240**

hereinafter referred to as the "Company," or "IIC," an Indiana domestic stock, property and casualty insurance company. The examination was conducted remotely with assistance from the Company in Chicago, Illinois, the corporate headquarters.

The Report of Examination, reflecting the status of the Company as of December 31, 2023, is hereby respectfully submitted.

## SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI) and covered the period from January 1, 2017, through December 31, 2021. The present risk-focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2022, through December 31, 2023, and included any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination.

The examination was conducted in accordance with the NAIC *Financial Condition Examiners Handbook* (Handbook). The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

The examination of the Illinois domestic insurance companies of Kemper Corporation (Kemper or Group), was called by the Illinois Department of Insurance (IDOI) in accordance with the Handbook guidelines, through the NAIC's Financial Examination Electronic Tracking System. The IDOI served as the lead state on the examination, and representatives from Alabama, California, Indiana, Louisiana, Missouri, New York, Ohio, Oregon, Texas, and Wisconsin served as participants.

The actuarial specialists from Risk and Regulatory Consulting, LLC, were contracted by the IDOI and provided all actuarial services throughout the examination and conducted a review of the Company's actuarial-related risks as of December 31, 2023.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact, as mentioned in the Indiana Code (IC) 27-1-3.1-10 and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

## HISTORY

On July 9, 1955, the Company was originally incorporated under the laws of the state of Alabama as Dixie Auto Insurance Company (DAIC). American Financial Corporation (AFC), part of American Financial Group, Inc. (AFG)<sup>A</sup>, acquired control of DAIC on June 1, 1977, by purchasing DAIC's parent, Stonewall Insurance Company (Stonewall), from Gulf Life Holding Company. AFC sold 100% of the issued and outstanding stock of Stonewall to Great American Insurance Company (GAIC) on December 31, 1977. DAIC merged into another wholly-owned subsidiary of Stonewall, Specialty Insurance Company, a Florida corporation, effective September 30, 1978, and the surviving Florida corporation changed its name simultaneously with the merger to Dixie Insurance Company (Dixie). Pennsylvania Company (PC) acquired Dixie from Stonewall on December 31, 1990. Dixie changed its name to Infinity Insurance Company on August 1, 1992. On November 14, 1997, the Company re-domesticated

<sup>A</sup> AFG was the ultimate controlling parent of IIC (and its predecessors) from June 1, 1977, until December 17, 2003.

from Florida to Indiana. Effective October 15, 2002, PC merged into American Premier Underwriters, Inc. (APU) and the Company became a direct wholly-owned subsidiary of APU.

Infinity Property and Casualty Corporation (IPCC) was incorporated on September 16, 2002, under the laws of the state of Ohio under the initial name Infinity Property and Casualty Group Corporation and then changed its name to Infinity Property and Casualty Corporation on September 25, 2002. Effective December 31, 2002, APU contributed all the issued and outstanding common stock of the Company to IPCC, whose principal office is located in Birmingham, Alabama. At the time, IPCC was an indirect wholly-owned subsidiary of AFG, also an Ohio corporation, which was and still is publicly-traded on the New York Stock Exchange (NYSE) under the symbol "AFG." IPCC itself became a publicly-traded company upon its initial public offering on February 19, 2003, of 61% of its common stock (with AFG retaining the remaining shares of IPCC); IPCC's shares were traded on the Nasdaq Stock Market under the ticker symbol "IPCC." Subsequently, on December 17, 2003, AFG sold its remaining shares of IPCC pursuant to a secondary public offering and, as a result, AFG ceased to be the ultimate controlling person and an affiliate of the Company and its subsidiaries.

IPCC operated as a publicly-traded company until July 2, 2018, at which time IPCC was acquired by Kemper. Kemper is a Delaware corporation with its principal office in Chicago, Illinois; it is publicly-traded with its shares listed on the NYSE.

IPCC is a subsidiary holding company of Kemper and, through its nine (9) direct and indirect insurance company subsidiaries, is engaged primarily in the private passenger automobile insurance business. IPCC is the sole shareholder of IIC.

#### CAPITAL AND SURPLUS

The Company had 40,000 authorized shares of common stock with a par value of \$120 per share and 25,000 shares issued and outstanding throughout the examination period.

No capital contributions were made or received during the examination period.

#### DIVIDENDS TO STOCKHOLDERS

The Company paid the following dividends to IPCC during the examination period:

Year	Total	Ordinary Dividends	Extraordinary Dividends
2023	\$ 103,000,000	\$ -	\$ 103,000,000
2022	12,000,000	12,000,000	-
Total	\$ 115,000,000	\$ 12,000,000	\$ 103,00,0000

In accordance with IC 27-1-23-4(h), the payment of dividends to holding companies or affiliated insurers may not exceed the greater of 10% of the prior year's surplus or the net income of such insurer of the prior year. The Company paid one (1) extraordinary dividend during the examination period with the prior approval of the INDOI. The other dividend paid during the examination period was ordinary in nature and did not require prior regulatory approval. In accordance with IC 27-1-23-1.5, the Company notified the INDOI of all declared dividends to the parent during the examination period.

## **MANAGEMENT AND CONTROL**

### **Directors**

The Articles of Incorporation provide that the corporate powers of the Company are to be exercised by a Board of Directors (Board). The number of directors of the Company shall be not less than seven (7) nor more than twenty-one (21), such number to be fixed from time to time by resolution adopted by a vote of a majority of the Board or by the shareholders. The annual meetings of the shareholders and of the Board shall be held within the first five (5) months after the close of the fiscal year at the principal office of the Company or at such other place and at such time as the Board may designate. As an Indiana domiciled company, at least one (1) director is required to be a resident of Indiana.

The following is a listing of persons serving as directors as of December 31, 2023, and their principal occupations as of that date:

Name and Location	Principal Occupation
Bradley Thomas Camiden Wheaton, Illinois	Senior Vice President and Treasurer Merastar Insurance Company
Brenda Hacker Freije Indianapolis, Indiana	Lawyer and Consultant Charitable Allies
Aditya Nmi Mahajan Long Grove, Illinois	Senior Vice President, Financial Planning and Analysis Merastar Insurance Company
Michael Anthony Marinaccio Hinsdale, Illinois	Vice President, Corporate Development Merastar Insurance Company
Christopher Lamont Moses Chicago, Illinois	Vice President, Treasury Merastar Insurance Company
Timothy John Tuller Rocky Hill, Connecticut	Senior Vice President, Chief Financial Officer (P & C Division) Merastar Insurance Company
Matthew Joseph Varagona Hoover, Alabama	Senior Vice President, Chief Information and Insights Officer Merastar Insurance Company

### **Officers**

The Bylaws state that the elected officers of the Company may consist of a Chairman of the Board and a President (each of whom shall be a director), one (1) or more Vice Presidents (or any derivations thereof, such as Senior or Executive Vice President), a Treasurer, a Secretary, and such other Assistant Vice Presidents, Assistant Secretaries, Assistant Treasurers, and other officers, as from time to time, may appear to the Board necessary or desirable for conducting the affairs of the Company.

The following is a list of key officers and their respective titles as of December 31, 2023:

Name	Office
Matthew Joseph Varagona	President
Timothy John Tuller	Vice President & Treasurer/Controller
Christopher Lamont Moses	Secretary

### **CONFLICT OF INTEREST**

Directors and officers are required to review and sign Conflict of Interest statements annually. It was determined that all directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their statements as of December 31, 2023.

### **OATH OF OFFICE**

IC 27-1-7-10(i) stipulates that every director, when elected, shall take and subscribe to an oath stating that he or she will faithfully, honestly, and diligently administer the affairs of the Company and will not knowingly violate any of the laws applicable to such Company. It was determined that all directors listed in the Management and Control section of this Report of Examination have subscribed to an oath as of December 31, 2023.

### **CORPORATE RECORDS**

#### Articles of Incorporation

The Articles of Incorporation were amended in 2023 to include the relocation of the principal office of the Company. No other amendments were made to the Articles of Incorporation during the examination period.

#### Bylaws

The Bylaws were amended in 2023 to include the relocation of the principal office of the Corporation. No other amendments were made to the Bylaws during the examination period.

#### Minutes

The Board and shareholders meeting minutes were reviewed for the period under examination through the fieldwork date. Significant actions taken during each meeting were noted.

IC 27-1-7-7(b) states an annual meeting of shareholders, members, or policyholders shall be held within five (5) months after the close of each fiscal year of the Company and at such time within that period as the Bylaws may provide. The Company's Bylaws do not specify the date or time the annual meeting of shareholders is to be held. For each year under review, the annual meeting of shareholders was held within five (5) months following the close of each fiscal year.

## AFFILIATED COMPANIES

### Organizational Structure

The following abbreviated organizational chart shows the Company's parent, subsidiaries and affiliates as of December 31, 2023, that were included in this examination:

	NAIC Co. Code	Domiciliary State/Country
Kemper Corporation		DE
Cranberry Holdings, Inc.		DE
American Access Holdings, LLC		DE
American Access Casualty Company	10730	IL
Kemper Management LLC		IL
Kemper Reciprocal	17513	IL
Trinity Universal Insurance Company	19887	TX
Alpha Property and Casualty Insurance Company	38156	WI
Charter Indemnity Company	37524	TX
Direct Response Corporation		DE
Response Insurance Company	43044	IL
Kemper Financial Indemnity Company	39004	IL
Response Worldwide Insurance Company	26050	IL
Warner Insurance Company	26085	IL
Response Worldwide Direct Auto Insurance Company	20133	IL
Financial Indemnity Company	19852	IL
Kemper Independence Insurance Company	10914	IL
Merastar Industries LLC		DE
Merastar Insurance Company	31968	IL
NCM Management Corporation		DE
Infinity County Mutual Insurance Company	13820	TX
Unitrin County Mutual Insurance Company	29351	TX
Union National Fire Insurance Company	12998	LA
United Casualty Insurance Company of America	11142	IL
Unitrin Advantage Insurance Company	10881	NY
Unitrin Auto and Home Insurance Company	16063	NY
Unitrin Direct Insurance Company	10226	IL
Unitrin Direct Property and Casualty Company	10915	IL
Unitrin Preferred Insurance Company	25909	NY
Unitrin Safeguard Insurance Company	40703	WI
Valley Property & Casualty Insurance Company	10698	OR
Infinity Property and Casualty Corporation		OH

<b>Infinity Insurance Company</b>	<b>22268</b>	<b>IN</b>
Infinity Auto Insurance Company	11738	OH
Infinity Assurance Insurance Company	39497	OH
Infinity Casualty Insurance Company	21792	OH
<b>Infinity Indemnity Insurance Company</b>	<b>10061</b>	<b>IN</b>
Infinity Preferred Insurance Company	10195	OH
Infinity Safeguard Insurance Company	16802	OH
<b>Infinity Select Insurance Company</b>	<b>20260</b>	<b>IN</b>
<b>Infinity Standard Insurance Company</b>	<b>12599</b>	<b>IN</b>
United Insurance Company of America	69930	IL
Mutual Savings Life Insurance Company	66397	AL
Mutual Savings Fire Insurance Company	31178	AL
The Reliable Life Insurance Company	68357	MO
Capitol County Mutual Fire Insurance Company	29211	TX
Old Reliable Casualty Company	36625	MO
Union National Life Insurance Company	69779	LA

#### Affiliated Agreements

The following affiliated agreements and transactions were disclosed as part of the Form B – Holding Company Registration Statement and were filed with the INDOI, as required, in accordance with IC 27-1-23-4.

#### *Management Agreements*

Effective December 7, 1991, IIC and Infinity County Mutual Insurance Company (ICMIC) are parties to a Management Agreement under which IIC acts as manager of ICMIC. GAIC assigned this Agreement to Infinity Standard Insurance Company (Standard) on January 31, 2003. Standard assigned this Agreement to IIC effective August 1, 2008. The Management Agreement was amended and assigned to NCM Management Corporation on July 7, 2023. In 2023, the Company received compensation in the amount of \$24 million under this Agreement.

#### *Service Agreements*

Effective January 1, 2019, the Company entered into various General Services Agreements with Merastar Insurance Company (Merastar) and other Kemper property and casualty subsidiaries. The Company and Merastar are the service providers under the Agreement, and they provide various general corporate services to the affiliates, which include accounting and financial services, accounts payable and administrative services, cash management and financial planning services, human resources services, legal, risk management services, and other miscellaneous services. In 2023, the Company incurred \$391 million of expenses under these Agreements.

Effective April 1, 2021, the Company and Merastar entered into a General Services Agreement with American Access Casualty Company (AACC). The Company and Merastar are the service providers under the Agreement, and they provide various general corporate services to AACC, which include accounting and financial services, accounts payable and administrative services, cash management and financial planning services, human resources services, legal, risk management services, and other miscellaneous services.

Effective July 1, 2022, the Company and Merastar entered into a General Services Agreement with Kemper Bermuda LTD (Kemper Bermuda). The Company and Merastar are the service providers under the Agreement, and they provide various general corporate services to Kemper Bermuda, which include accounting and financial services, accounts payable and administrative services, cash management and financial planning services, human

resources services, legal, risk management services, and other miscellaneous services.

Effective September 8, 2023, the Company and Merastar entered into a General Services and Expense Allocation Agreement with Kemper Management LLC (Kemper Management). The Company and Merastar are the service providers under the Agreement, and they provide various general corporate services to Kemper Management, which include accounting and financial services, accounts payable and administrative services, cash management and financial planning services, human resources services, legal, risk management services, and other miscellaneous services.

*Intercompany Pooling Agreement*

As more fully discussed in the Reinsurance section of the Report of Examination, IIC, along with other Indiana and Ohio affiliates, is a member of an Intercompany Pooling Agreement, effective January 1, 1992. Under this Agreement, all the premiums, applicable liabilities, and expenses of the companies are “pooled” in accordance with the terms of the Pooling Agreement.

*Quota Share Reinsurance Agreements*

As more fully discussed in the Reinsurance section of the Report of Examination, effective September 1, 2010, the Company and ICMIC entered into an Amended and Restated Quota Share Reinsurance Agreement to replace the original Agreement between the parties effective December 7, 1991. GAIC had assigned the original Agreement to Infinity Standard Insurance Company (ISIC) on January 31, 2003. ISIC then assigned the Agreement to the Company effective August 1, 2008. The Agreement was assigned to Trinity Universal Insurance Company (TUIC) effective July 7, 2023.

As more fully discussed in the Reinsurance section of the Report of Examination, effective December 1, 2018, the Company entered into a Quota Share Reinsurance Agreement with TUIC under which TUIC assumes 100% of the direct liabilities and obligations of the Company.

*Administrative Services Agreement*

Effective December 1, 2018, the Company entered into an Administrative Services Agreement with affiliate TUIC related to the Quota Share Reinsurance Agreement referenced above. Any expenses incurred as a result of this Agreement would be paid in the normal course of reinsurance agreements, discussed in additional detail in the Reinsurance section of the Report of Examination.

*Consolidated Federal Income Tax Allocation Agreement*

Effective July 2, 2018, the Company, along with its affiliated insurance companies, joined the Kemper Federal Income Tax Agreement. The Agreement provides that the affiliates pay Kemper an amount of tax that they would pay the Internal Revenue Service (IRS) or receive from Kemper refunds they would receive from the IRS, as if they were separate companies filing separate federal income tax returns and were not part of a consolidated group.

## **FIDELITY BOND AND OTHER INSURANCE**

The Company protects itself against loss from any fraudulent or dishonest acts by any employees through a fidelity bond issued by The Hartford Fire Insurance Company. The bond has a single loss coverage limit of \$20 million with a \$500 thousand deductible. The fidelity bond is adequate to meet the minimum coverage suggested by the NAIC.

The Company had additional types of coverage in-force as of December 31, 2023, including but not limited to auto, cyber policies, directors' and officers' liability, employment practices liability, fiduciary, general liability, insurance company professional liability, property liability, workers' compensation, and an umbrella policy.

## **TERRITORY AND PLAN OF OPERATION**

The Company's ultimate parent company, Kemper, is a large insurance holding group that is engaged, through its subsidiaries, in property and casualty and life insurance businesses. The Kemper Group of companies is one of the nation's leading specialized insurers. With approximately \$13 billion in assets, Kemper provides insurance solutions to individuals, families and businesses through its Kemper Auto and Kemper Life brands. Kemper serves over 4.7 million policies, is represented by approximately 22,200 agents and brokers, and has approximately 7,400 associates supporting their operations. Kemper's Specialty segment distributes their products primarily through independent agents and brokers who are paid commissions for their services. The Company provides automobile insurance with a concentration in non-standard private passenger auto insurance.

IIC is licensed in forty-four (44) states and the District of Columbia. The Company is commercially domiciled in California with 99% of the premiums written there. No direct premium is written in Indiana.

## **REINSURANCE**

### Reinsurance Pool

The Company participates in an intercompany reinsurance pool for which it acts as the lead pool reinsurer. The pooling process begins with each affiliated company ceding 100% of their direct and assumed business to IIC, acting in the capacity of Lead Pool Company. IIC then deducts any reinsurance ceded to non-pooling parties and retrocedes a specified portion of the remaining balance back to each pool participant. In 2023, IIC assumed premiums totaling \$1.3 billion, case loss and expense reserves of \$419 million, and IBNR reserves of \$519 million in connection with pooling transactions.

Effective December 1, 2018, IIC entered into a Quota Share Reinsurance Agreement with Trinity Universal Insurance Company (TUIC) a Kemper affiliate, under which TUIC assumes 100% of the direct liabilities and obligations of IIC. As a result of this cession both IIC reported zero (0) net premium and loss in their regulatory filings.

### Assumed Reinsurance

The Company reported three (3) small, assumed reinsurance treaties at year-end 2023. The first of these arrangements has been in effect since 2016 with an affiliate Infinity Auto Insurance Company (IAIC-Auto) and covers California business written by IAIC-Auto as part of IAIC-Auto's withdrawal from the state of California as an insurer. The second arrangement has been in effect since 2023 with an affiliate Financial Indemnity Company (FIC) and covers California business written by FIC. The third arrangement has been in effect since 2023 with affiliate Alliance United Insurance Company (AUIC) and covers California business written by AUIC. For each of these Agreements, at policy expiration, policyholders received a policy renewal offer from IIC. IIC accounted for the Assumption Reinsurance Agreements with assumed premiums and reserves totaling approximately \$181 million and \$1 million, respectively.

The Company assigned to TUIC, effective July 7, 2023 an amended Quota Share Reinsurance Agreement in which the company assumed business from ICMIC. The original agreement was effective December 7, 1991, and later the terms of the original agreement were amended dated September 1, 2010.

### **FINANCIAL STATEMENTS**

The following financial statements are based on the statutory financial statements filed by the company with the INDOI and present the financial condition of the company for the period ending December 31, 2023. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements.

INFINITY INSURANCE COMPANY

Assets

As of December 31, 2023

	<u>Per Company*</u>
Bonds	\$ 64,037,215
Stocks:	
Common stocks	43,237,803
Real estate:	
Properties occupied by the company	24,864,988
Properties held for the production of income	3,895,619
Properties held for sale	401,835
Cash, cash equivalents and short-term investments	(3,116,660)
Other invested assets	3,400,000
Subtotals, cash and invested assets	136,720,800
Investment income due and accrued	513,946
Premiums and considerations:	
Uncollected premiums and agents' balances in course of collection	7,416,106
Deferred premiums, agents' balances and installments booked but deferred and not yet due	627,366,609
Reinsurance:	
Amounts recoverable from reinsurers	6,048,335
Other amounts receivable under reinsurance contracts	48,937,429
Current federal and foreign income tax recoverable and interest thereon	2,948,124
Net deferred tax asset	1,701,471
Electronic data processing equipment and software	580,064
Receivables from parent, subsidiaries and affiliates	94,145,206
Premium tax receivable	11,293,854
Other assets	32,057
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	937,704,000
Totals	<u>\$ 937,704,000</u>

\*The balance includes immaterial rounding differences.

**INFINITY INSURANCE COMPANY**  
**Liabilities, Surplus and Other Funds**  
**As of December 31, 2023**

	<b>Per Company*</b>
Commissions payable, contingent commissions and other similar charges	\$ 41,108,848
Other expenses	8,937,726
Taxes, licenses and fees	3,070,349
Advance premium	5,844,325
Ceded reinsurance premiums payable	641,844,853
Funds held by company under reinsurance treaties	132,730
Amounts withheld or retained by company for account of others	3,845,041
Remittances and items not allocated	5,621,626
Payable to parent, subsidiaries and affiliates	180,246,341
Reserve for escheated funds	20,511,352
Other liabilities	1,298,740
Total liabilities excluding protected cell liabilities	<u>912,461,932</u>
Total liabilities	<u>912,461,932</u>
Common capital stock	3,000,000
Gross paid-in and contributed surplus	97,000,000
Unassigned funds (surplus)	<u>(74,757,932)</u>
Surplus as regards policyholders	25,242,068
Totals	<u><u>\$ 937,704,000</u></u>

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\*The balance includes immaterial rounding differences.

**INFINITY INSURANCE COMPANY**  
**Statement of Income**  
**For the Year Ended December 31, 2023**

	<u>Per Company*</u>
<b>UNDERWRITING INCOME</b>	
Premiums earned	\$ -
<b>INVESTMENT INCOME</b>	
Net investment income earned	10,346,759
Net realized capital gains (losses) less capital gains tax	<u>(8,680,358)</u>
Net investment gain (loss)	1,666,401
<b>OTHER INCOME</b>	
Net income, before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	<u>1,666,401</u>
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	1,666,401
Federal and foreign income taxes incurred	<u>9,406</u>
Net income	<u><u>\$ 1,656,995</u></u>

\*The balance includes immaterial rounding differences.

**INFINITY INSURANCE COMPANY**  
**Reconciliation of Capital and Surplus Account**

	2023*	2022*
Surplus as regards policyholders, December 31 prior year	\$ 134,878,208	\$ 124,941,106
Net income	1,656,995	11,982,721
Change in net unrealized capital gains or (losses)	284,931	(205,656)
Change in net deferred income tax	152,915	(1,744,983)
Change in nonadmitted assets	(8,590,394)	10,329,590
Dividends to stockholders	(103,000,000)	(12,000,000)
Post benefit retirement	(140,587)	999,724
Lease accounting correction	-	575,706
Change in surplus as regards policyholders for the year	(109,636,140)	9,937,102
Surplus as regards policyholders, December 31 current year	<u>\$ 25,242,068</u>	<u>\$ 134,878,208</u>

\* The balances includes immaterial rounding differences.

### **COMMENTS ON THE FINANCIAL STATEMENTS**

There were no recommended adjustments to the financial statements as of December 31, 2023, based on the results of this examination.

### **OTHER SIGNIFICANT ISSUES**

There were no other significant issues to report.

### **SUBSEQUENT EVENTS**

There were no events subsequent to the examination date and prior to the completion of fieldwork which were considered material events requiring disclosure in this Report of Examination.



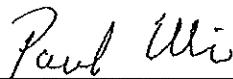
## AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that they, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Jennifer Balester, FCAS, MAAA, and Taylor Davis, FCAS, CERA, MAAA, of Risk & Regulatory Consulting LLC, performed an examination of Infinity Insurance Company, as of December 31, 2023.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

This examination was performed in accordance with those procedures required by the NAIC Financial Condition Examiners Handbook and other procedures tailored for this examination. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standards and no audit opinion is expressed on the financial statements contained in this report.

The attached Report of Examination is a true and complete report of the condition of the Infinity Insurance Company as of December 31, 2023, as determined by the undersigned.



Paul Ellis, CFE  
Noble Consulting Services, Inc.

Under the Supervision of:



Jerry Ehlers, CFE, AES  
Examinations Manager  
Indiana Department of Insurance

State of: Indiana  
County of: Marion

Lorie A Ellert

Notary Public

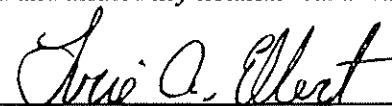
**SEAL**

Marion County, State of Indiana  
My Commission Expires July 11, 2025  
Commission #702622

On this 20 day of July, 2025, before me personally appeared, Jerry Ehlers, to sign this document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal in said County and State, the day and year last above written.

My commission expires:

My 11, 2025   
Notary Public

