

Insurer Profile Questionnaire

As of 12/31/2014

Company Name: _____ NAIC #: _____

Contact Person: _____ Signature: _____

E-mail Address: _____ Telephone #: _____

The information provided in this Questionnaire will be kept confidential in accordance with Indiana Code 27-1-3.1-15 & 27-1-23-6.

1. Regarding the Company's Holding Company System, please provide:
 - A. A complete organizational chart including all entities under common management control
 - B. A description of the holding company system's business segments and percent of overall revenue per segment
 - C. Listing of all the insurers within the holding company system along with their respective regulatory jurisdictions using [HCAS-Insurance Company.xls](#).
 - D. Discuss the level of international insurance activities (including branches) for each insurance company or entity.
 - E. List all other legal entities within the holding company system
 - i. with a description of their nature; function and percentage of revenue derived from those entities;
 - ii. indicate whether or not they are regulated by any federal or foreign governmental agencies using the [HCAS-Other Entities.xls](#) and;
 - iii. disclose any material risks presented by non –insurance entities.
 - F. Briefly describe:
 - i. key strengths and weakness of the holding company system
 - ii. holding company debt including the terms, maturity schedules, and its ability to meet payments
 - iii. key prospective risks within the holding company system
 - iv. level of reputational risk that the holding company poses to the Company
 - v. Nature and level of complexity of the holding company system
 - vi. Brief background and experience of the high-level management of the holding company system.
 - G. Have there been any changes in the holding company system in the past year? If so, please provide a brief description of the changes.
 - H. Discuss the existence of Captive Insurance vehicles within the Holding Company System including:
 - i. Specific purpose and domicile
 - ii. Type of financial reporting available to or provided to state of domicile
 - iii. Risks the captives pose to the holding company system.

I. Discuss the use of derivatives and their purpose. Are they used for hedging or to enhance investment yield? Discuss the level of collateral held for derivatives contracts and discuss the trend of the derivatives balances over the last three years, as well as any concerns.

Company's response:

2. Describe the nature of the Company's interdependence on the holding company or affiliated entities for the following:
 - A. Business operations (e.g. employees, services provides)
 - B. Financial stability (e.g. reinsurance and/or capital support in the near term).

Company's response:

3. Briefly describe:
 - A. The Company's role within the holding company structure
 - B. The Holding company's ability and willingness to infuse additional capital into the Company if necessary, and
 - C. Management's dividend expectations of the Company to assist with holding company initiatives and/or holding company debt service obligations.

Company's response:

4. Please provide:
 - A. General locations of the facilities where the Company's operational, administrative and managerial functions are performed and;
 - B. An explanation as to whether these functions are performed by the Company's employees, employees of an affiliated company, and/or third parties.

Company's response:

5. Please explain:
 - A. If management performs risk assessment on a legal entity basis or on a consolidated basis, and
 - B. Management's overall risk assessment process and the types of risks it covers.

Company's response:

6. Are risks associated with other legal entities considered/identified in the holding company system's enterprise risk management program? If so, were any of these risks material to the holding company system? Please provide explanation of any material risks.

Company's response:

7. Were any risks indentified (including prospective risks) within the holding company system, for both insurance and other entities, which could have a material adverse impact on the holding company system? Please provide an explanation for each indentified risk.

Company's response:

8. During the previous year has the Company implemented any new information systems that materially impact financial reporting? If yes, please explain. Are any such projects planned for this year? If yes, please explain.

Company's response

9. Please briefly describe any benchmarks Management uses to monitor the Company's performance and financial condition. (example: A.M. Best rating, target RBC ratio, and/or other financial ratios)

Company's response:

10. Please discuss management's assessment of the overall financial condition of the holding company system. The discussion should include references to the holding company system's profitability, shareholder's equity (or equivalent), leverage position and liquidity, noting any negative trends.

Company's response:

11. Please:
- A. Identify the primary officers and/or outside advisors who manage the investment portfolio and;
 - B. Describe the Company's overall investment strategy, including primary goals, asset allocation, and portfolio diversification objectives.

Company's response:

12. At a macro level, please briefly explain the Company's underwriting and marketing strategy including a description of its primary products, target market or customer groups and distribution channels.

Company's response:

13. At a macro level, please briefly describe the Company's ceded and assumed reinsurance programs including the type of business, risk retention, and program objectives.

Company's response:

14. Please briefly explain how the Company adjusts and pays claims including how and by whom the claim reserves are set. Please explain the Company's internal review process for monitoring the adequacy of rates and reserves.

Company's response: