

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

IN THE MATTER OF: )  
 )  
**Police & Firemen's Insurance Association** )  
**101 East 116<sup>th</sup> Street** )  
**Carmel, Indiana 46032-4567** )

Examination of: **Police & Firemen's Insurance Association**

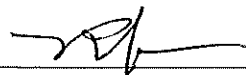
**NOTICE OF ENTRY OF ORDER**

Enclosed is the Final Order entered by Amy L. Beard, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of Police & Firemen's Insurance Association, 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 Police & Firemen's Insurance Association 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.

6/16/2022  
Date

  
Roy Eft  
Chief Financial Examiner

**CERTIFIED MAIL NUMBER: 7018 1130 0001 7982 6703**

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**Carmel, Indiana 46032-4567** )

Examination of: **Police & Firemen’s Insurance Association**

**FINDINGS AND FINAL ORDER**

The Indiana Department of Insurance conducted an examination into the affairs of the Police & Firemen’s Insurance Association (hereinafter “Company”) for the time period January 1, 2016 through December 31, 2020.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter “Commissioner”) by the Examiner on May 27, 2022.

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 27, 2022 and was received by the Company on June 2, 2022.

On June 7, 2022, 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, 2020.
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 16 day of  
June, 2022.

  
\_\_\_\_\_  
Amy L. Beard  
Insurance Commissioner

## 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.

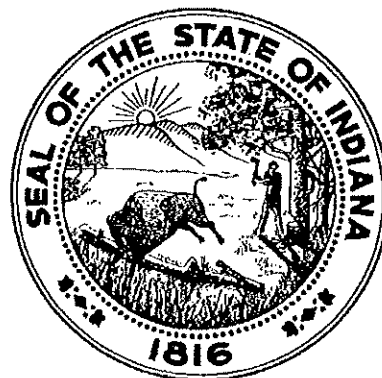
**STATE OF INDIANA**  
**Department of Insurance**  
**REPORT OF EXAMINATION**

**OF**

**POLICE AND FIREMEN'S INSURANCE ASSOCIATION**  
NAIC Co. CODE 58009

As of

December 31, 2020



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# STATE OF INDIANA

ERIC J. HOLCOMB, GOVERNOR

**Indiana Department of Insurance**

Amy L. Beard, Commissioner  
311 W. Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: 317-232-2385  
Fax: 317-232-5251  
Website: [in.gov/idoi](http://in.gov/idoi)

May 27, 2022

Honorable Amy L. Beard, 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 4090, an examination has been made of the affairs and financial condition of:

**Police and Firemen's Insurance Association**  
**101 East 116<sup>th</sup> Street**  
**Carmel Indiana, 46032-4567**

hereinafter referred to as the "Association", an Indiana domestic fraternal life insurance company. The examination was conducted remotely with assistance from the company in Carmel, Indiana.

The Report of Examination, reflecting the status of the Association as of December 31, 2020, is hereby respectfully submitted.

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES	COMPANY COMPLIANCE	CONSUMER SERVICES	FINANCIAL SERVICES	MEDICAL MALPRACTICE	COMPANY RECORDS	STATE HEALTH INSURANCE PROGRAM
317-232-2389	317-232-3495	317-232-2395/1-800-622-4461	317-232-2390	317-232-2402	317-232-5692	1-800-452-4800

## SCOPE OF EXAMINATION

The Association was last examined by representatives of the Indiana Department of Insurance (INDOI) and covered the period from January 1, 2011 through December 31, 2015. The present risk-focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2016 through December 31, 2020, 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 Association, 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.

Mark Alberts, FSA, MAAA, of Alberts Actuarial Consulting, LLC, provided all actuarial services throughout the examination and conducted a review of the Association's actuarial related risks as of December 31, 2020.

All accounts and activities of the Association 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 Association'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 Association.

## HISTORY

The Association was incorporated and commenced business on April 7, 1913, under the Mutual Life and Accident Insurance Act of 1897, as an assessment association. Amended Articles of Incorporation were filed and approved on November 4, 1918, bringing the Association under the provisions of the Fraternal Benefit Association Act of 1915. There have been no significant changes to the Association's organizational structure since that time.

Although the Association was originally intended to be a local organization only, the idea behind it quickly spread to Police and Fire departments across the United States. The Association is a not-for-profit, non-political organization whose goal is to make its membership and exceptional benefits available to every Police Officer and Firefighter throughout the nation.

## CAPITAL AND SURPLUS

The Association is a fraternal benefit association, owned by its policyholders. Therefore, no capital or preferred stock was authorized, issued, or outstanding during the examination period.



## DIVIDENDS TO POLICYHOLDERS

The Association made refunds to members as outlined below:

	2016	2017	2018	2019	2020
Total	\$ 707,970	\$ 748,596	\$ 794,252	\$ 836,415	\$ 880,204

## TERRITORY AND PLAN OF OPERATION

The Association is an Indiana domiciled mutual fraternal benefit society. The Association is a single legal entity, not a member of a holding system, and wholly owned by its policyholders.

The Association is licensed in seven (7) states and the District of Columbia but is authorized to write in all 50 states under the Model Fraternal Code. The Association offers life, annuity, and accident and health insurance coverage to active and retired police and firefighters nationwide. The Association is authorized to write Class I (a & b) business. The Association's primary products include guaranteed renewable disability income and accident only policies (providing both on and off-duty coverage), life, accidental death, cancer policies and annuities.

## GROWTH OF THE ASSOCIATION

The following table summarizes the financial results of the Association during the examination period:

Year	Admitted Assets	Liabilities	Surplus and Other Funds*	Premiums and Annuities	Net Income
2020	\$ 231,350,650	\$ 157,260,662	\$ 74,089,988	\$ 37,701,518	\$ 4,931,303
2019	211,882,126	147,496,599	64,385,527	34,249,964	5,613,638
2018	194,527,090	135,872,773	58,654,317	33,336,708	8,236,652
2017	184,492,143	133,589,946	50,902,196	32,311,404	5,237,586
2016	172,591,481	126,909,278	45,682,203	31,231,253	4,869,929

\* The balance includes immaterial rounding differences

The increase in the 2018 net income was the result of the accident and health line of business premium increase and the ratio of claims paid to premium collected decreased in 2018.

## MANAGEMENT AND CONTROL

### Supreme Legislative Body

The governing body of the Association is an assembly of elected representatives called the Supreme Legislative Body (SLB). Members in each state and the District of Columbia elect two (2) representatives to the SLB, one (1) representing the Fire Department Section and one (1) representing the Police Department Section for their respective states. Also, there may be elected at the same time, two (2) alternates. If there is an election, the voting shall be by ballot and the results will be certified by the Executive Committee.

The SLB meets every four (4) years for the purpose of electing the Board of Directors (Board) and the officers of the Association, confirming appointments of members to committees, and adopting proposed amendments to the Constitution and Bylaws.

Directors

The Bylaws provide that the Board shall consist of fifteen (15) members, and shall be elected by ballot, and shall serve for a term of four (4) years or until their successors are duly elected and qualified, unless removed as herein provided. Five (5) members of the Board of Directors shall constitute a quorum for the transaction of business. Five (5) Directors may be residents of Central Indiana to meet quorum requirements. In the election of members of the Board of Directors during the Supreme Legislative Body (SLB) meeting, those receiving the highest number of votes cast shall be declared elected. After such election, the Board shall elect the Chairman of the Board from its members.

The following is a listing of persons serving as directors as of December 31, 2020, and their principal occupations as of that date:

<u>Name and Address</u>	<u>Principal Occupation</u>
Michael Francis Carrigan Littleton, Colorado	Retired
Ruben Hernandez Cevallos San Antonio, Texas	Retired
Myles Christie Jr Hephzibah, Georgia	Regional Manager Police and Firemen’s Insurance Association
Thomas Joseph Clines Fishers, Indiana	President Police and Firemen’s Insurance Association
Alan Thomas Evans Jr Cattaraugus, New York	Regional Manager Police and Firemen’s Insurance Association
Edward James Griffith III Brisk, New Jersey	Regional Manager Police and Firemen’s Insurance Association
Gerald Irvin Housel Speedway, Indiana	Retired
Thomas Clark Jackson Peoria, Illinois	Retired
Mark Stanley Kemp New Palestine, Indiana	Retired
David George Lentz Slidell, Louisiana	Retired
John Edward Murphy Carmel, Indiana	Senior Vice President and Executive Secretary Police and Firemen’s Insurance Association

Stephen Delano Murphy Indianapolis, Indiana	Retired
Bradd Thomas Roembke New Palestine, Indiana	National Sales Director Police and Firemen's Insurance Association
Don Gustave Trejbal Arron, Ohio	Retired
Jeffrey Allen Warnock Carmel, Indiana	Vice President and Treasurer Police and Firemen's Insurance Association

Officers

The Bylaws state that the SLB shall, at its regular meeting every four (4) years, elect a President, Senior Vice President and Executive Secretary, and Vice President and Treasurer, and such officers as shall be created by the SLB, who shall hold office for a term of four (4) years or until their successors are duly elected and qualified unless removed from office as provided by the Bylaws of the Association.

Provided that no member shall be eligible to hold elective office unless he has been a member of the Association for five (5) years, two (2) of which immediately preceding an election, he shall have been an Advisory Board Member and/or Director. The following is a list of key officers and their respective titles as of December 31, 2020:

<u>Name</u>	<u>Office</u>
Thomas Joseph Clines	President
John Edward Murphy	Senior Vice President and Executive Secretary
Jeffrey Allen Warnock	Vice President and Treasurer

**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, 2020.

**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 Association and will not knowingly violate any of the laws applicable to such Association. It was determined that not all directors listed in the Management and Control section of this Report of Examination have subscribed to an oath as of December 31, 2020. The Association did not require in prior years for the directors elected during the SLB meeting to sign an Oath of Office, rather only to take a verbal oath. This issue was discussed with the Association and the SLB will require a signed oath for all future directors elected during the meetings. See Other Significant Issues section of this Report of Examination.

## CORPORATE RECORDS

### Articles of Incorporation

There were no amendments made to the Articles of Incorporation during the examination period.

### Bylaws

There were amendments made to the Bylaws and approved by the SLB during the examination period. The amendments in 2016 there were seven (7) amendments passed; however, no amendment significantly impacted the manner in which the Association operates its finances. Rather, the amendments were made to clarify less particular issues. Therefore, the changes are not presented within this report. The amendments in 2020 updated the wording in Bylaw Article 6, Section 1 on requirements to expel a member of the Association. All other changes are to dates and names associated with the Association.

### 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 27-11-2-2(1)(A) The supreme governing body is an assembly composed of delegates elected directly by the members or at intermediate assemblies or conventions of members or their representatives, together with other delegates as may be prescribed in the society's laws. A society may provide for election of delegates by mail. The elected delegates shall constitute a majority in number and shall not have less than a majority of the votes and not less than the number of votes required to amend the society's laws. The assembly shall meet at least once every four (4) years and shall elect a board of directors to conduct the business of the society between meetings of the assembly. Vacancies on the board of directors between elections may be filled in the manner prescribed by the society's laws.

The Association's Bylaws specify the SLB shall meet once every four (4) years on the third Friday of September, at 9:00 a.m., and remain in session for two (2) days unless sooner adjournment is taken. The SLB meets every four (4) years to elect directors and ratify the actions of the Board. The SLB meeting was held as noted above in compliance with IC and the Bylaws during the examination period.

The committee meeting minutes for the examination period, and through the fieldwork date, were provided as additions to the Board meeting minutes. These were reviewed for the following committees: Building Committee, Claims Committee, Executive Committee, Finance Committee, and Fraternal Committee.

## AFFILIATED COMPANIES

There are no affiliated companies, nor are there any affiliated agreements.

## FIDELITY BOND AND OTHER INSURANCE

The Association protects itself against loss from any fraudulent or dishonest acts by any employees through a fidelity bond issued by Federal Insurance Company. The bond has a single loss coverage limit of \$600,000 with a \$25,000 deductible. The fidelity bond is adequate to meet the prescribed minimum coverage specified by the NAIC.

The Association had additional types of coverage in-force as of December 31, 2020, including but not limited to auto, crime bond, directors and officers policies, umbrella, and workers' compensation.

### **PENSION, STOCK OWNERSHIP, AND INSURANCE PLANS**

The Association sponsors a non-contributory defined benefit pension plan, which covers all full-time employees. The Association accrued in accordance with actuarially determined amounts with an offset to the pension cost accrual for the incremental asset amortization.

The Association does not sponsor any post-retirement health care plans or any other post-retirement benefit plans other than the deferred compensation plan.

The Association provides a deferred compensation plan for its Executive and certain management employees under Section 457 of the Federal Tax Code. Interest is credited to the plan by the Association each year based on the interest earnings rate on the Association's net invested assets to mean assets for the current year.

The Association also sponsors a deferred compensation plan to all employees under Section 401(k) of the Federal Tax Code. The Association did not make matching contributions to the plan in 2020. As of December 31, 2020 the fair value of the plan assets was \$631,825.

### **SPECIAL AND STATUTORY DEPOSITS**

The Association operates as a fraternal benefit society and is not required to maintain statutory and special deposits.

### **REINSURANCE**

#### **Ceded Reinsurance**

The Association primarily reinsures business with Employers Reassurance Corporation and Optimum Reinsurance Company (Optimum Re). Total reinsurance premiums ceded in 2020 were \$3,369,281. The reserve credit taken for 2020 was \$5,198,277, primarily attributable to business ceded to Optimum Re.

The Association ceded approximately 91% of all in-force policies to Optimum Re during 2020. The maximum retention on any one (1) life is \$150,000 with any excess being reinsured. The Association remains obligated for amounts ceded in the event that reinsurers do not meet their obligations.

The rehabilitation of Scottish Re Life Reinsurance Company is ongoing and the Association has retained legal counsel to represent them in the settlement negotiations.

#### **Assumed Reinsurance**

The Association does not assume reinsurance.

## ACCOUNTS AND RECORDS

The Association's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balance prepared from the Association's general ledger for the year ended December 31, 2020 was agreed to the respective Annual Statement. The Annual Statement for the year ended December 31, 2020 was agreed to the independent audit report without material exception. The Association's accounting procedures, practices, and account records were deemed satisfactory.

**FINANCIAL STATEMENTS**

POLICE AND FIREMEN'S INSURANCE ASSOCIATION

Assets

As of December 31, 2020

	<u>Per Examination*</u>
Bonds	\$ 169,618,944
Stocks:	
Common stocks	39,372,492
Real estate:	
Properties occupied by the company	2,204,370
Cash, cash equivalents and short-term investments	8,517,237
Contract loans	2,955,276
Other invested assets	3,452,898
Receivables for securities	827,567
Subtotals, cash and invested assets	<u>226,948,783</u>
Investment income due and accrued	1,519,266
Premiums and considerations:	
Uncollected premiums and agents' balances in course of collection	2,264,716
Reinsurance:	
Amounts recoverable from reinsurers	566,812
Electronic data processing equipment and software	51,073
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	<u>231,350,650</u>
Totals**	<u><u>\$ 231,350,650</u></u>

\* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balance includes immaterial rounding differences.

POLICE AND FIREMEN'S INSURANCE ASSOCIATION  
Liabilities, Surplus and Other Funds  
As of December 31, 2020

	<u>Per Examination*</u>
Aggregate reserve for life contracts	\$ 111,678,652
Aggregate reserve for accident and health contracts	24,225,522
Liability for deposit-type contracts	5,343,588
Contract Claims:	
Life	470,548
Accident and Health	1,387,714
Provision for policyholders' dividends and refunds to members and coupons payable in the following calendar year:	
Policyholders' dividends and refunds to members apportioned for payment	902,000
Premiums and annuity considerations for life and accident and health contracts received in advance	67,847
Commissions to agents due or accrued- life and annuity contracts	187,820
General expenses due or accrued	491,496
Taxes, licenses and fees due or accrued, excluding federal income tax	130,067
Funds held by company under reinsurance treaties	
Amounts held for agents' accounts	304,172
Remittances and items not allocated	400,943
Miscellaneous liabilities:	
Asset Valuation Reserve	7,653,382
Payable for securities	111,816
Aggregate write-ins for liabilities	3,905,095
Total liabilities excluding Separate Accounts business	157,260,662
Total liabilities	157,260,662
Unassigned funds (surplus)	74,089,988
Surplus as regards policyholders	74,089,988
Totals**	\$ 231,350,650

\* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balance includes immaterial rounding differences.



POLICE AND FIREMEN'S INSURANCE ASSOCIATION  
 Summary of Operations  
 For the Year Ended December 31, 2020

	Per Examination*
	\$
Premiums and annuity considerations for life and accident and health contracts	37,701,518
Net investment income	5,333,543
Amortization of Interest Maintenance Reserve	(15,692)
Commissions and expense allowances of reinsurance ceded	512,851
Miscellaneous Income:	
Aggregate write-ins for miscellaneous income	37,328
<b>Total</b>	<b>43,569,548</b>
Death benefits	4,575,832
Annuity benefits	4,721,800
Disability benefits and benefits under accident and health contracts	7,592,433
Surrender benefits and withdrawals for life contracts	783,301
Interest and adjustments on contract or deposit-type contract funds	150,400
Increase in aggregate reserves for life and health contracts	8,852,002
<b>Totals</b>	<b>26,675,769</b>
Commissions on premiums, annuity considerations, and deposit-type contract funds	2,970,846
General insurance expenses and fraternal expenses	7,814,902
Insurance taxes, licenses and fees, excluding federal income taxes	235,194
Increase in loading on deferred and uncollected premiums	948
Aggregate write-ins for deductions	-
<b>Totals</b>	<b>37,697,659</b>
Net gain from operations before dividends to policyholders, refunds to members and federal income taxes	5,871,890
Dividends to policyholders and refunds to members	880,204
Net gain from operations, after dividends to policyholders, after capital gains tax and before federal income taxes	4,991,686
Net gain from operations, after dividends to policyholders, after capital gains tax and federal income taxes	4,991,686
Net realized capital gains (losses)	(60,383)
<b>Net income**</b>	<b>\$ 4,931,303</b>

\* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balance includes immaterial rounding differences.

POLICE AND FIREMEN'S INSURANCE ASSOCIATION  
Capital and Surplus Account Reconciliation

	2020*	2019	2018	2017	2016
Capital and surplus, December 31 prior year	\$ 64,385,527	\$ 58,654,317	\$ 50,902,196	\$ 45,682,203	\$ 40,850,231
Net income	4,931,303	5,613,638	8,236,652	5,237,586	4,869,929
Change in net unrealized capital gains or (losses) less capital gains tax	5,150,939	5,182,943	(3,893,526)	2,378,896	809,611
Change in non-admitted assets	900,321	(418,716)	(54,825)	(640,725)	24,323
Change in valuation reserve	(1,222,050)	(3,790,663)	2,072,713	(651,235)	(772,474)
Aggregate write-ins for gains and losses in surplus	(56,052)	(855,992)	1,391,107	(1,104,529)	(99,418)
Change in capital and surplus for the year	<u>9,704,461</u>	<u>5,731,210</u>	<u>7,752,122</u>	<u>5,219,993</u>	<u>4,831,972</u>
Surplus as regards policyholders, December 31 current year**	<u>\$ 74,089,988</u>	<u>\$ 64,385,527</u>	<u>\$ 58,654,317</u>	<u>\$ 50,902,196</u>	<u>\$ 45,682,203</u>

\* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

\*\* The balance includes immaterial rounding differences.

### COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2020, based on the results of this examination.

### OTHER SIGNIFICANT ISSUES

Directors are required to review and sign an Oath of Office when elected. 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 Association and will not knowingly violate any of the laws applicable to such Association. It was determined that the Association, in prior years only, had the directors take a verbal Oath of Office. The Association indicated it will start to require a signed statement to be kept on file. It is recommended that every director shall take and subscribe to an Oath of Office at the time of election to the Board by the SLB.

### SUBSEQUENT EVENTS

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



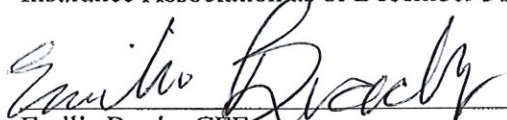
**AFFIDAVIT**

This is to certify that the undersigned is a duly qualified Emilie Brady appointed by the Indiana Department of Insurance and that they, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Alberts Actuarial, Inc., performed an examination of Police and Firemen's Insurance Association, as of December 31, 2020.

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 Police and Firemen's Insurance Association as of December 31, 2020, as determined by the undersigned.


  
Emilie Brady, CFE  
Noble Consulting Services, Inc.

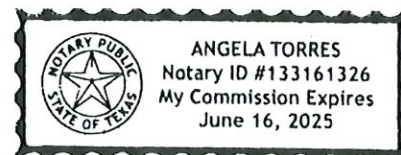
On this 3rd day of June, 2022, before me personally appeared, Emilie Brady, to sign this document. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My commission expires:

June 16, 2025   
Notary Public

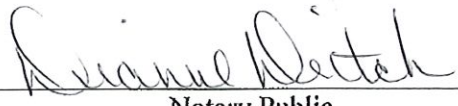
Under the Supervision of:

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



On this 7th day of June, 2022, 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:

2/16/2028   
Notary Public

