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

IN THE MATTER OF:)
)
Property-Owners Insurance Company)
6101 Anacapri Boulevard)
Lansing, Michigan 48917-3968)

Examination of: **Property-Owners 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 Property-Owners Insurance Company, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as sent to you on May 26, 2026 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 Property-Owners 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.

6/18/2026
Date

Roy Eft
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 7004 1160 0000 3835 5502

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

IN THE MATTER OF:)
)
Property-Owners Insurance Company)
6101 Anacapri Boulevard)
Lansing, Michigan 48917-3968)

Examination of: **Property-Owners Insurance Company**

FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the Property-Owners Insurance Company (hereinafter "Company") for the time period January 1, 2020, through December 31, 2024.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter "Commissioner") by the Examiner on April 30, 2026.

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 26, 2026 and was received by the Company on May 26, 2026.

The Company did not file any objections.

NOW THEREFORE, based on the Verified Report of Examination, I hereby make the following **FINDINGS:**

1. That the Verified Report of Examination is a true and accurate report of the financial condition and affairs of the Property-Owners Insurance Company as of December 31, 2024.
2. That the Examiner's Recommendations are reasonable and necessary in order for the Property-Owners Insurance Company to comply with the 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, 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. 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 18th day of June, 2026.

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

PROPERTY-OWNERS INSURANCE COMPANY

NAIC CO. CODE: 32905
NAIC GROUP CODE: 280

As of

December 31, 2024

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STATE OF INDIANA

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

April 30, 2026

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 4242, an examination has been made of the affairs and financial condition of:

Property-Owners Insurance Company
6101 Anacapri Boulevard
Lansing, Michigan 48917-3968

hereinafter referred to as the "Company," or "POIC," an Indiana domestic stock, property and casualty insurance company. The examination was conducted remotely with assistance from the corporate office staff in Lansing, Michigan.

The Report of Examination, reflecting the status of the Company as of December 31, 2024, 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, 2015, through December 31, 2019. The present risk-focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2020, through December 31, 2024, 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 state domestic insurance companies of Auto-Owners Group (Group) was called by the Michigan Department of Insurance and Financial Services (MI DIFS) in accordance with the Handbook guidelines, through the NAIC's Financial Examination Electronic Tracking System. The MI DIFS served as the lead state on the examination, and the INDOI along with California, Delaware, Maine, Nevada, New Hampshire, North Carolina, Ohio, and Vermont, served as participants.

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

The Company's parent, Auto-Owners Insurance Company (AOIC), commenced business on July 1, 1916, as a mutual company under the laws of the state of Michigan. AOIC subsequently formed POIC as an Indiana domiciled stock company incorporated on January 12, 1976, and commenced business under the laws of the state of Indiana on September 1, 1976.

CAPITAL AND SURPLUS

POIC's stock was 100% owned by AOIC throughout the current examination period. The Company had 500,000 authorized shares of common stock with a par value of $10 per share and 150,000 shares issued and outstanding throughout the examination period.

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

Theodore William Reinbold Grand Rapids, Michigan	Senior Vice President and Treasurer Auto-Owners Insurance Company and Property Owners Insurance Company
Jeffrey Scott Tagsold Manitou Beach, Michigan	Retired Auto-Owners Insurance Company
Daniel Jerome Thelen Dewitt, Michigan	Retired Auto-Owners Insurance Company
Jamie Patrick Whisnant East Lansing, Michigan	Chairman and Chief Executive Officer Auto-Owners Insurance Company and Property Owners Insurance Company
William Finch Woodbury Dewitt, Michigan	First Vice President, Secretary, and General Counsel Auto-Owners Insurance Company

Officers

The Company's Bylaws state that the elected officers of the Company shall consist of a Chairman, a President, an Executive Vice President, a Secretary, a Treasurer and such other officers as may be chosen by the Board. The Board shall also designate a Chief Executive Officer who shall be an employee of the Company. The same person may hold any two (2) more offices, except President and Vice President, but no officer shall execute, acknowledge, or verify an instrument in more than one (1) capacity.

The following is a list of key officers and their respective titles as of December 31, 2024:

Name	Office
Jamie Patrick Whisnant	Chairman and Chief Executive Officer
Anthony Orlando Dean	President and Chief Information Officer
Andrea Leigh Lindemeyer	Executive Vice President
William Finch Woodbury	First Vice President, Secretary, and General Counsel
Theodore William Reinbold	Senior Vice President and Treasurer
Brandy Elizabeth Holly	Senior Vice President
Amy Marie Kissman	Senior Vice President
James Lynn Lannin, Jr.	Senior Vice President
Christopher James Massey	Senior Vice President
Barry Michael Preslaski	Senior Vice President
Julie Renee Wilkinson	Senior Vice President
Brian Michael Will	Senior Vice President

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, 2024.

DIVIDENDS TO STOCKHOLDERS

There were no dividends paid during the examination period.

MANAGEMENT AND CONTROL

Directors

The Company's Bylaws provide that the business affairs of the Company are to be managed by a Board of Directors (Board) consisting of no less than five (5) and no more than twenty-one (21) directors. The shareholders, at each annual meeting, elect the members of the Board. IC 27-1-7-11 requires that at least one (1) of the directors must be a resident of Indiana.

The following is a listing of persons serving as directors as of December 31, 2024, and their principal occupations as of that date:

Name and Location	Principal Occupation
Anthony Orlando Dean Grand Ledge, Michigan	President and Chief Information Officer Auto-Owners Insurance Company
Jeffrey Francis Harrold Grand Ledge, Michigan	Retired Auto-Owners Insurance Company
Mark Edward Hooper Okemos, Michigan	Partner Andrews Hooper and Pavlik, PLC
Andrea Leigh Lindemeyer Dewitt, Michigan	Executive Vice President Auto-Owners Insurance Company and Property Owners Insurance Company
Lori Ann McAllister East Lansing, Michigan	Attorney Dykema Gossett, PLLC
Terri Anderson Miller Novi, Michigan	Principal TAMiller Consulting, LLC
Carolyn Dale Muller North Myrtle Beach, South Carolina	Retired Auto-Owners Insurance Company
Matthew Allen Nuber Marion, Indiana	Regional Director Auto-Owners Insurance Company
Cheryl Lynn Pero Traverse City, Michigan	Professor Michigan State University
Michael David Pike Dewitt, Michigan	Retired Auto-Owners Insurance Company

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, 2024.

CORPORATE RECORDS

Articles of Incorporation

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

Bylaws

There were no amendments 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 specify the annual meeting of shareholders shall be held on the second Monday of May, of each year, unless such day is a holiday, in which case the annual meeting of shareholders shall be held the next business day. For each year under review, the annual meeting of shareholders was held within five (5) months following the close of each fiscal year, and in compliance with their bylaws.

The committee meeting minutes for the examination period, and through the fieldwork date, were reviewed for the following committees: The Company's Executive Committee, and the Audit Committee, Nominating and Corporate Governance Committee, and Compensation Committee for AOIC, which provide oversight to all affiliates.

AFFILIATED COMPANIES

Organizational Structure

The following abbreviated organizational chart shows the Company's parent and affiliates as of December 31, 2024 that were included in this examination:

	NAIC Co. Code	Domiciliary State/Country
Auto-Owners Insurance Company	18988	MI
Auto-Owners Life Insurance Company	61190	MI
Home-Owners Insurance Company	26638	MI
Property-Owners Insurance Company	**32905**	**IN**
Owners Insurance Company	32700	OH
Southern-Owners Insurance Company	10190	MI
Atlantic Casualty Insurance Company	42486	NC
Auto-Owners Specialty Insurance Company	12508	DE
CIG Holding Company		DE
California Capital Insurance Company	13544	CA
Eagle West Insurance Company	12890	CA
Monterey Insurance Company	23540	CA
Nevada Capital Insurance Company	11165	NV
Concord General Mutual Insurance Company	20672	NH
Sunapee Mutual Fire Insurance Company	28479	NH
Green Mountain Insurance Company	20680	VT
Vermont Accident Insurance Company	13110	VT
State Mutual Insurance Company	16020	ME

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.

Administrative Services Agreement
Effective January 1, 2003, AOIC and POIC became parties to an Agreement for Administrative Services. Pursuant to the Agreement, AOIC provides administrative services sufficient to carry on the normal business functions of a property and casualty insurance company, such as, but not limited to; executive administration, sales, policy underwriting, claim settlement, actuarial, advertising and accounting, tax matters, systems and programming, electronic data processing, investments, housing, and all other essential general services. The amount paid by the Company for services rendered by AOIC during 2024 under the Agreement was $23.3 million.

Agreement for Allocation of Consolidated Federal Income Tax Liability
Effective August 1, 1996, and amended as of May 22, 2019, POIC entered into an Amended and Restated Agreement for Allocation of Consolidated Federal Income Tax Liability to allow AOIC and its subsidiaries to file a consolidated federal income tax return. The consolidated federal income tax return is filed by AOIC.

Intercompany Reinsurance Agreement
Details of the Intercompany Reinsurance Agreement in place for the Company are outlined in the Reinsurance section of this Report on Examination.

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 Cincinnati Insurance Company. 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, 2024, including but not limited to, directors' and officers' liability, excess liability, employment practices liability, fiduciary, general liability, professional liability, cybersecurity liability, and workers' compensation.

TERRITORY AND PLAN OF OPERATION

The Company is licensed to write business in seventeen (17) states but actively writing business in the following three (3) states as of December 31, 2024: Indiana (90.6% or $268.8 million), Georgia (5.3% or 15.9 million) and Michigan (4.1% or 12.2 million). POIC is a multiple lines carrier with the following distribution of direct written premiums by line of business: 55.9% homeowners, 28.6% commercial multi-peril, 3.8%, other liability-occurrence, 3.1% workers, compensation, 2.6% inland marine, 1.8% other commercial auto liability, and 4.2% all others. The Group is represented by 6,300 independent agencies, which operate across twenty-six (26) states, primarily in the Midwest and Southeast regions of the United States.

REINSURANCE

Ceded Reinsurance

The Company has a quota-share reinsurance agreement with AOIC. Under the terms of the agreement, the Company cedes 100% of the following lines of business to AOIC: certified terrorism, cyber liability, employment practices liability, equipment breakdown, identity recovery and data compromise, inland flood, involuntary workers' compensation, mine sub/sinkhole, miscellaneous professional liability, pollution, umbrella, and facultatively reinsured policies in any class of business. The Company retains all other lines of business. Additionally, under the terms of the agreement, AOIC will provide the Company with excess-of-loss reinsurance on the business retained by the Company.

Assumed Reinsurance

No business was assumed by the Company during the examination period.

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, 2024. 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.

PROPERTY-OWNERS INSURANCE COMPANY
Assets
As of December 31, 2024

	Per Company
Bonds	$ 465,482,154
Stocks:	
Preferred stocks	1,214,375
Common stocks	48,071,074
Cash, cash equivalents and short-term investments	8,836,239
Other invested assets	3,450,554
Subtotals, cash and invested assets	527,054,396
Investment income due and accrued	4,066,897
Premiums and considerations:	
Uncollected premiums and agents' balances in course of collection	1,507,307
Deferred premiums, agents' balances and installments booked but deferred and not yet due	37,771,431
Reinsurance:	
Amounts recoverable from reinsurers	2,169,762
Net deferred tax asset	3,852,679
Guaranty funds receivable or on deposit	87,802
Receivables from parent, subsidiaries and affiliates	4,280,820
Aggregate write-ins for other than invested assets	379,680
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	581,170,774
Totals	$ 581,170,774

PROPERTY-OWNERS INSURANCE COMPANY
Liabilities, Surplus and Other Funds
As of December 31, 2024

	Per Company
Losses	$ 74,391,789
Loss adjustment expenses	21,658,842
Commissions payable, contingent commissions and other similar charges	8,134,293
Other expenses	655,751
Taxes, licenses and fees	543,690
Current federal and foreign income taxes on realized capital gains (losses)	2,442,569
Unearned premiums	144,187,694
Ceded reinsurance premiums payable	7,409,241
Amounts withheld or retained by company for account of others	134,255
Payable for securities	1,000,000
Aggregate write-ins for liabilities	1,587,970
Total liabilities excluding protected cell liabilities	262,146,094
Total liabilities	262,146,094
Common capital stock	1,500,000
Gross paid in and contributed surplus	3,520,000
Unassigned funds (surplus)	314,004,680
Surplus as regards policyholders	319,024,680
Totals	$ 581,170,774

PROPERTY-OWNERS INSURANCE COMPANY
Statement of Income
For the Year Ended December 31, 2024

	Per Company*
UNDERWRITING INCOME	
Premiums earned	$ 216,094,167
DEDUCTIONS	
Losses incurred	107,084,463
Loss adjustment expenses incurred	15,472,395
Other underwriting expenses incurred	69,591,852
Total underwriting deductions	192,148,710
Net underwriting gain (loss)	23,945,457
INVESTMENT INCOME	
Net investment income earned	17,066,431
Net realized capital gains (losses) less capital gains tax	1,432,782
Net investment gain (loss)	18,499,214
OTHER INCOME	
Net gain (loss) from agents' or premium balances charged off	(54,631)
Aggregate write-ins for miscellaneous income	39,552
Total other income	(15,079)
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	42,429,592
Federal and foreign income taxes incurred	9,703,242
Net income	$ 32,726,350

* The balances include immaterial rounding differences.

PROPERTY-OWNERS INSURANCE COMPANY
Reconciliation of Capital and Surplus Account
(in 000s)

	2024	2023	2022	2021	2020
Surplus as regards policyholders, December 31 prior year	$ 283,152	$ 254,760	$ 244,871	$ 210,791	$ 179,517
Net income	32,726	22,901	16,289	31,139	24,782
Change in net unrealized capital gains or (losses) less capital gains tax	1,716	4,964	(6,302)	2,490	6,254
Change in net deferred income tax	1,527	646	102	102	179
Change in nonadmitted assets	(98)	(118)	(200)	350	58
Change in surplus as regards policyholders for the year	35,872	28,393	9,888	34,080	31,274
Surplus as regards policyholders, December 31 current year	$ 319,025	$ 283,152	$ 254,760	$ 244,871	$ 210,791

COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2024, based on the results of this examination.

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 Examiner-in-Charge appointed by the Indiana Department of Insurance and that they, in coordination with staff assistance from Noble Consulting Services, Inc., performed an examination of Property-Owners Insurance Company, as of December 31, 2024. The state of Michigan retained the services of Taylor & Mulder for actuarial assistance on the coordinated examination of the Auto-Owners Group.

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 Property-Owners Insurance Company as of December 31, 2024, as determined by the undersigned.

Carl Richard Jr., 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

On this 16th day of June, 2026, before me personally appeared, Carl Richard and 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: July 20, 2033

Notary Public

LORIE A ELLERT
Notary Public
Marion County - State of Indiana
Commission Number NP0764698
My Commission Expires Jul 20, 2033