

REPORT ON EXAMINATION AS TO THE CONDITION OF

NEW JERSEY MANUFACTURERS INSURANCE COMPANY

TOWNSHIP OF EWING, NEW JERSEY 08628

AS OF DECEMBER 31, 2024

NAIC GROUP CODE 0708

NAIC COMPANY CODE 12122

FILED

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**COMMISSIONER
NJ DEPT OF BANKING & INSURANCE**

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SUSAN OCHS
Acting Commissioner

April 13, 2026

Honorable Susan Ochs
Acting Commissioner
State of New Jersey
Department of Banking and Insurance
P.O. Box 325
20 West State Street
Trenton, NJ 08625-0325

Commissioner:

Pursuant to the Revised Statutes of the State of New Jersey, an examination has been made of the conditions and affairs of the assets and liabilities, method of conducting business and other affairs of the:

New Jersey Manufacturers Insurance Company
301 Sullivan Way
West Trenton, New Jersey 08628
NAIC Group Code 0708 NAIC Company Code 12122

a domestic property and casualty insurer authorized to transact business in the State of New Jersey. Hereinafter, New Jersey Manufacturers Insurance Company, will be referred to as the "Company".

SCOPE OF EXAMINATION

The New Jersey Department of Banking and Insurance, hereinafter referred to as the “NJDOBI” or “We”, performed a full scope risk focused examination of the Company. The examination covers the period of January 1, 2020, through December 31, 2024, including any material transactions and/or events occurring subsequent to the examination date and noted during the course of the examination. The examination was conducted remotely.

The Company was last examined as of December 31, 2019. The current examination was conducted concurrent with a financial condition examination of the Company's subsidiaries, New Jersey Re-Insurance Company (NJRE), New Jersey Casualty Insurance Company (NJC), and New Jersey Indemnity Insurance Company (NJI).

The examination was conducted in accordance with the NAIC Financial Condition Examiners Handbook (“Handbook”). The Handbook requires that the examination be planned and performed to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company, including corporate governance, identification, and assessment of inherent risks within the Company and evaluation of system controls and procedures used to mitigate those risks. An examination also includes assessment of inherent risks within the Company and evaluation of systems controls and procedures used to mitigate those risks. An examination also includes assessment of the principles used and significant estimates made by management, as well as evaluation of the overall financial statement presentation, management’s compliance with Statutory Accounting Principles and Annual Statement instructions when applicable to domestic state regulations. The general procedure of the examination followed the rules established by the Financial Condition (E) Committee, Examination Oversight Task Force of the NAIC, and included such other examination procedures as were deemed necessary.

During the course of this examination, consideration was given to work performed by the Enterprise Risk and Controls Department regarding the Company’s compliance with the Annual Financial Reporting Model Regulation (the Model Audit Rule), including risk analysis, documentation, test work, and remediation efforts over weaknesses identified, as well as work performed by the Company’s Internal Audit Department and external accounting firm. Certain auditor work papers have been incorporated into the work papers of the examiners and have been utilized in determining the scope and areas of emphasis in conducting the examination.

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. However, the examination does not attest to the fair presentation of the financial statements included herein. In addition, a review was made of the following matters to develop an understanding of the Company’s operations and its conformity with the insurance laws of the various jurisdictions in which it operates.

COMPLIANCE WITH PRIOR EXAM FINDINGS

There were no prior examination report findings.

HISTORY AND KIND OF BUSINESS

The Company is the surviving corporation of a merger on January 1, 1965 of the former New Jersey Manufacturers Indemnity Insurance Company (which had been incorporated December 6, 1921 under the laws of the State of New Jersey as "New Jersey Manufacturers Association Fire Insurance Company") with and into New Jersey Manufacturers Casualty Insurance Company (incorporated under that name on June 7, 1913 pursuant to the laws of the State of New Jersey). The name of the New Jersey Manufacturers Association Fire Insurance Company had been changed to New Jersey Manufacturers Indemnity Insurance Company with the filing of an amended charter with the State of New Jersey on December 31, 1951.

The aforesaid merger was accomplished in accordance with an Agreement of Merger dated April 24, 1964, pursuant to the provisions of Section 17:27-1 et. seq. of the Revised Statutes of New Jersey with the approval of the Commissioner of Insurance given on October 28, 1964. Simultaneously, by operation of the merger, the name of the surviving company was changed to its present form, "New Jersey Manufacturers Insurance Company."

The Company is a domestic property and casualty insurance company and is authorized to transact the kinds of insurance authorized by paragraphs "a", "b", "d", "e", "f", "g", "i", "j", "k", "l", "m", "n" and "o" of N.J.S.A. 17:17-1 and health insurance (accident and health), against all physical loss to buildings and structures, including consequential loss, against the perils of radioactive contamination and all other perils causing physical loss to nuclear energy installations and facilities including consequential loss, all miscellaneous coverages; being the kinds of insurance permitted to be written by the Company's Charter.

The capital stock of the Company is six million dollars (\$6,000,000) divided into fifteen thousand (15,000) shares having a par value of four hundred dollars (\$400) each.

The Company is the parent of affiliated insurance carriers, NJRE, NJC, and NJI. The Company owns 499,987 shares of the 500,000 issued and outstanding shares of \$12 par value capital stock of NJRE. The company owns 499,987 shares of the 500,000 issued and outstanding shares of \$10 par value capital stock of NJI and NJC. The remaining shares of the three subsidiaries of the Company are issued and held one each by the Directors of the insurance carriers.

During the period under examination, the Company has written and issued policies for the following lines of business: residential fire and allied lines, homeowners multiple peril, commercial multiple peril, inland marine, earthquake, workers' compensation, other liability, private passenger and commercial auto liability and auto physical damage.

The principal office of the Company is located on Sullivan Way, West Trenton, New Jersey and its mailing address is 301 Sullivan Way, West Trenton, New Jersey 08628.

TERRITORY AND PLAN OF OPERATIONS

At December 31, 2024, the Company was licensed to transact the business of insurance in the States of New Jersey, New York, Connecticut, Delaware, Pennsylvania, Maryland, Ohio, Maine,

and Rhode Island. During the five-year period under review, the majority of the total premium writings were on risks located in New Jersey. In 2024 New Jersey premium comprised 91.6% of direct written premium.

NJM Insurance Group (collectively the Company, NJRE, NJC, and NJI) works to operate for the exclusive service and benefit of its policyholders. While organized as stock insurers, NJM Insurance Group’s operations resemble that of a mutual insurer in which underwriting profits and a portion of investment income can be returned to policyholders in the form of dividends, measured across all lines and in the aggregate. These annual dividend payments have continued uninterrupted since 1918.

During the examination period, the NJM Insurance Group continued to advance product and geographical expansion for personal and commercial lines. NJM Insurance Group’s geographic expansion focus for personal lines in Western Pennsylvania, Connecticut, Ohio, and Maryland. NJM Insurance Group offers personal property and commercial lines coverage including, personal passenger automobile, homeowners, workers’ compensation and commercial automobile. NJM Insurance Group traditionally writes business on a direct basis. Historically, the NJM Insurance Group did not have agency relationships; though it implemented an agency model for distribution of its Commercial Auto, Workers’ Compensation and Commercial General Liability products beginning in July 2020 with the introduction of Commercial Package Policy and Business Owners Property, and Commercial Umbrella resulting in robust cross-sell opportunities. The Company continues to build strong agency relationships. The registered agent upon process may be served is Kate E. Ro at 301 Sullivan Way, West Trenton, New Jersey 08628.

GROWTH OF THE COMPANY

The following exhibit shows the results of the Company's operations during the current five-year examination period:

<u>Year</u>	<u>Gross Premiums Written</u>	<u>Premium Earned</u>	<u>Net Underwriting Net Gain/(Loss)</u>	<u>Net Investment Net Gain</u>	<u>Admitted Assets</u>	<u>Surplus As Regards Policyholders</u>
2024	\$ 2,796,844,216	\$ 2,565,650,000	\$ (221,272,305)	\$ 432,791,851	\$ 9,886,433,748	\$ 4,335,256,087
2023	2,415,107,894	2,215,142,436	(113,093,070)	194,392,614	9,001,226,882	4,046,597,934
2022	2,091,273,793	1,985,806,126	(8,441,331)	175,435,233	8,379,859,929	3,778,709,852
2021	1,914,578,739	1,889,876,388	89,265,567	226,149,464	8,710,478,881	4,114,330,041
2020	1,823,579,474	1,841,224,090	132,091,141	163,183,704	8,210,694,692	3,552,913,078

CORPORATE RECORDS

A review of the minutes of all meetings of the Board and various Committees of the Board held during the examination period indicated they were held and conducted in accordance with Company by-laws. The primary governing body is the Board of Directors.

The Company's Secretary is required to maintain records of all meetings of the Stockholders, the Board of Directors and of the various Board Committees. The Secretary is responsible for the

giving and serving of all notices of meetings and has custody of the corporate seal of the Company, which the Secretary is required to affix to any proper instrument on behalf of the Company. The Secretary also has charge of the stock certificate books, transfer books, stock ledgers, and such other books and papers (other than books of financial accounts) as the Board of Directors may prescribe and shall perform all other acts normally and properly incident to the office of the Secretary.

The Company's charter, dated April 24, 1964, was filed with the Insurance Commissioner of the State of New Jersey. Additionally, the Company acts as its own stock registrar.

MANAGEMENT AND CONTROL

The business and property of the Company is managed and controlled by the Board of Directors, except as otherwise provided by the by-laws.

At December 31, 2024 the Company had 13 directors of whom only one is an officer of the Company as denoted by *. Hence, the Company was in compliance with N.J.S.A. 17:27A-4d (3). Upon review of all meetings held it was determined by the examination that the meetings were well attended. The members of the Board of Directors elected and serving at December 31, 2024 were as follows:

<u>Name</u>	<u>Principal Occupation</u>
Brenda Ross-Dulan	Ross-Dulan Group, LLC, Managing Principal
Edward J. Graham	South Jersey Industries, Inc., Retired Chairman & CEO
Vaughan S. Grundy, III	IEW Construction Group, President
Joshua T. Kalafer	Somerset Patriots, Co-owner
Clifford F. Lindholm, III	Falstrom Company, President & CEO
Mitchell A. Livingston*	NJM Insurance Group, President & CEO
Brian F. Neuwirth	Unex Manufacturing, Inc. President
Celestina S. Quintana	McDonald's Restaurants Owner/Operator
Lisa Hirsh-Schlossman	Accurate Box Co., Inc., President & CEO
Robert J. Staudinger	National Manufacturing Co., Inc., President & CEO
Edward A. Stern	Kreiser Manufacturing Corporation, Former Co-President & COO
Joan E. Wainwright	TE Connectivity, Retired President
Thomas H. Welch	Grange Mutual Casualty Company, Retired President & CEO

The Company had various committees of the Board of Directors including an Audit Committee of which all eight members were outside Directors. Therefore, the Company was in compliance with N.J.S.A. 17:27-4d (4). Members of the various Committees as of December 31, 2024 were as follows:

<u>Executive</u>	<u>Investment</u>
Edward J. Graham	Edward J. Graham
Lisa Hirsh-Schlossman	Vaughan S. Grundy III

Clifford F. Lindholm III
Mitchell A. Livingston
Edward A. Stern (Chairman)
Joan E. Wainwright
Thomas H. Welch

Lisa Hirsh-Schlossman (Chairman)
Joshua T. Kalafer
Celestina S. Quintana
Brenda Ross-Dulan
Edward A. Stern
Joan E. Wainwright

Nominating & Corporate Governance

Edward J. Graham (Chairman)
Lisa Hirsh-Schlossman
Clifford F. Lindholm III
Brian F. Neuwirth
Edward A. Stern

Compensation & Benefits

Edward J. Graham (Chairman)
Lisa Hirsh-Schlossman
Clifford F. Lindholm III
Robert J. Staudinger
Edward A. Stern
Thomas H. Welch

Audit

Edward J. Graham
Vaughan S. Grundy III
Joshua T. Kalafer
Clifford F. Lindholm III (Chairman)
Celestina S. Quintana
Brenda Ross-Dulan
Robert J. Staudinger
Joan E. Wainwright

Trust

Edward J. Graham
Lisa Hirsh-Schlossman
Joshua T. Kalafer
Clifford F. Lindholm III
Mitchell A. Livingston
Brian F. Neuwirth
Celestina S. Quintana
Edward A. Stern (Chairman)

The Executive Officers, which includes the Executive Leadership Team; denoted by *, and those required by the By-Laws (President, Treasurer, and Secretary), serving and the positions they held at December 31, 2024, were as follows:

<u>Name</u>	<u>Office</u>
Theodore H. Hilke	Secretary
Mitchell A. Livingston*	President & CEO
Christopher F. Malone*	Senior Vice President, CFO, & Treasurer
Kate E. Ro*	Senior Vice President & General Counsel
Carol L. Voorhees*	Executive Vice President & COO

REINSURANCE

The Company had reinsurance agreements and treaties in force at December 31, 2024, providing excess, catastrophe and pro rata reinsurance for various lines of business written. The various reinsurance treaties and contracts in effect and the maximum limits of reinsurance are summarized below. Ceded coverages included:

Property Catastrophe Excess of Loss

	<u>Retention</u>	<u>Maximum Limits</u>	<u>Placement</u>
First Layer	\$ 300,000,000	\$ 300,000,000	28.243400%
Second Layer	600,000,000	200,000,000	47.852000%
Third Layer	800,000,000	300,000,000	56.522000%

Property Catastrophe (Bond)

First Layer	\$ 300,000,000	\$ 300,000,000	41.666667%
Second Layer	600,000,000	200,000,000	32.500000%

The Company maintained separate reinsurance intermediary-broker agreements with JLT Re (North America) Inc. & Guy Carpenter and Thomas E. Sears, Inc. These agreements were noted to be in compliance with N.J.S.A. 17:22E-6 which requires a written contract for transactions between an insurer and a reinsurance intermediary-broker.

Assumed Coverages included:

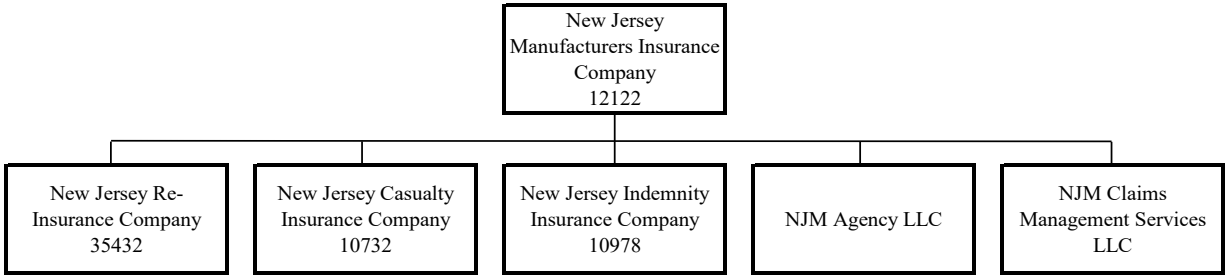
Effective January 1, 2022, NJM implemented a 100% Multiline QS Reinsurance Contract (MLQS), where NJM assumes 100% from the three affiliates (NJI, NJC and NJRE) beginning with accident year 2022. NJM pays a ceding expense to offset all adjusting and other expenses, underwriting expenses and other net expenses incurred.

Also effective January 1, 2022, the legal entities entered into an Adverse Loss Development Reinsurance Agreement. NJM acts as the reinsurer and indemnifies each subsidiary for any increase in its 2021 and all prior year ultimate net losses in the event they exceed the established retention. Subject to a maximum.

REGULATION OF INSURANCE HOLDING COMPANY SYSTEMS

The Company is a member of an insurance holding company system as defined in N.J.S.A. 17:27A-1 and is subject to the registration requirements of N.J.S.A. 17:27A-3. The Company files an annual insurance Holding Company Registration Statement on behalf of itself and its subsidiaries.

NJM Insurance Group, consists of the Parent, the Company, NJRE, NJC, NJI, and two non-insurer subsidiaries as of December 31, 2024. The organizational chart for this group is as follows:



INTER-COMPANY AGREEMENTS

At December 31, 2024, the Company participated in inter-company agreements with its subsidiaries, including NJRE, NJC, NJI, and NJM Claims Management Services LLC (NJMCMS). These agreements include:

Intercompany Cost Allocation Agreement

Effective May 6, 2017, the Company executed an Intercompany Cost Allocation Agreement with affiliates NJRE, NJI and NJC. Under the terms of the agreement, services provided by the Company’s employees on behalf of NJRE, NJC, and NJI include each and every service associated with the underwriting of the several types of insurance policies that NJRE, NJC, and NJI are authorized to write and the processing of any claims covered by those policies. Services provided also include Information Technology, Accounts Receivable, Collections, Accounting, central files and other areas necessary to conduct this type of business. Employee time is allocated using customer service calls received, policies in force, premium written, claims reported or any other reasonable basis identifiable to NJRE, NJI or NJC.

Salary and employee benefit allocation is based on time charged to the NJRE, NJI, and NJC by NJM employees who perform services for the Company, NJI, or NJC. Whenever possible, overhead expenses will be paid directly by the parties of the agreement. In instances where this is not possible, NJM will charge the NJRE, NJI, and NJC allocated rent based on the percentage of space that each party occupies to conduct its business. Allocated rent includes building maintenance expenses, real estate taxes, depreciation, utilities, building security and cafeteria costs.

Intercompany Cost Allocation Agreement

Effective May 5, 2016, the Company executed a Cost Allocation with affiliate NJMCMS. Under the terms of the agreement, services provided by the Company’s employees on behalf of NJMCMS include any responsibility associated with the administration of claims for clients of NJMCMS. This includes services performed by business units other than claims, such as IT, Accounts Receivable, Collections, Accounting, and other areas necessary to conduct the business operations of NJMCMS.

Charges for services rendered by the Company’s employees will be based on the estimated percentage of time an individual employee spends in performing such service for NJMCMS. Costs

attributable to NJMCMS will be charged directly to NJMCMS whenever possible. The Company may charge NJMCMS rent and overhead expenses. These expenses are to be submitted to NJMCMS and paid within 90 days of the invoice date for the services and overhead expenses provided by the Company to NJMCMS in the previous quarter.

Intercompany Revolving Loan Agreement – NJRE & NJC

Effective November 4, 2016, and as amended February 19, 2019, the Company executed a Revolving Loan with affiliates NJRE and NJC. Under the terms of the agreement, the Company, NJRE and NJC agreed to make short term loans upon demand of either of the other two companies from time to time to accommodate fluctuations in the daily cash flow and promote the efficient management of investments between the companies. The borrowing company may not request more than one advance from lending companies until full repayment of any outstanding advance; additionally, at no time can the total amount of the loan outstanding exceed \$5,000,000.

The borrowing company must repay the advance, in full, no later than fifteen business days from the date the advance was issued. The borrowing company shall pay accrued interest for each advance upon full repayment of the loan. The rate of interest applicable to each advance shall be equal to the federal rates for a Federal Home Loan Bank of New York REPO Advance applicable the date the advance is made. There were no borrowings during the examination period, and no outstanding balances under the agreement as of December 31, 2024.

Intercompany Revolving Loan Agreement – NJI

Effective October 3, 2016, and as amended February 19, 2019, the Company executed a Revolving Loan with affiliate NJI. Under the terms of the agreement, the Company agreed to make short term loans to NJI from time to time to accommodate fluctuations in daily cash flow and promote efficient management of investments for NJI. The borrowing company may not request more than one advance from lending companies until full repayment of any outstanding advance; additionally, at no time can the total amount of the loan outstanding exceed \$5,000,000.

The borrowing company must repay the advance, in full, no later than fifteen business days from the date the advance was issued. The borrowing company shall pay accrued interest for each advance upon full repayment of the loan. The rate of interest applicable to each advance shall be equal to the federal rates for a Federal Home Loan Bank of New York REPO Advance applicable the date the advance is made. There were no borrowings during the examination period, and no outstanding balances under the agreement as of December 31, 2024.

Intercompany Revolving Loan Agreement – NJM CMS

Effective July 2, 2018, the Company executed a Revolving Loan with affiliate NJMCMS. Under the terms of the agreement, the revolving loan agreement allows the Company to lend funds to NJMCMS for up to \$1,000,000 dollars for purposes of accommodating fluctuations in daily cash flow for NJMCMS. Effective May 6, 2020, the agreement was amended to increase cash availability for unexpected shortfalls, up to a total amount of \$5,000,000.

On November 16, 2020, the Company loaned \$500,000 to NJMCMS at an effective annual interest rate of 0.33%. This loan was increased to \$1,000,000 on December 20, 2021. In 2020 and 2021, interest of \$1,541 and \$1,303 was paid to the Company, respectively. There were no outstanding balances under the agreement as of December 31, 2024.

Intercompany Tax Sharing Agreement

Effective September 7, 1999, the Company executed a Tax Sharing agreement with the insurance subsidiaries of the NJM Insurance Group. Under the terms of the agreement, the tax liability of the Company, NJRE, NJI and NJC is computed on a consolidated tax basis. The consolidated tax liability is allocated to each party proportionately based on the relationship each party's individual tax bears to the total tax liability of all parties as if filed on an individual basis. The Company will pay any consolidated tax liability due. NJRE, NJI, and NJC will reimburse their allocated tax liability to the Company within 90 days of payment of any consolidated tax liability or quarterly deposit by the Company.

POLICY ON CONFLICTS OF INTEREST

The Company has an established policy on conflicts of interest. Per this policy, all Officers, Managers, Attorney's, and Physicians are required to execute a Conflict of Interest Questionnaire on an annual basis. Potential conflicts of interest or any questions concerning the policy are to be addressed by the Company's General Counsel.

EMPLOYEES WELFARE AND PENSION PLANS

Employee Retirement Plans

The Company sponsors a noncontributory defined benefit pension plan through a Group Annuity Contract with Metropolitan Life Insurance Company held by the Bank of New York Mellon as Trustee. The Company also sponsors a noncontributory unfunded Nonqualified Retirement Plan for employees whose retirement benefits are limited by certain sections of the Internal Revenue Code.

Postretirement Benefit Plans

The Company provides certain health care and life insurance benefits for retired employees. Employees become eligible under the plan upon the completion of age and length of service requirements.

FIDELITY BOND AND OTHER INSURANCE COVERAGES

NJM Insurance Group maintains insurance coverages for the protection of its assets from losses arising out of property and casualty risks. The following listing shows the types and amounts of coverages that were in force at the examination date:

Coverages	Limits
Fidelity Bond	\$ 3,300,000 w/ 250,000 Retention
Directors & Officers Liability	10,000,000 w/ 175,000 Retention
Commercial General Liability	2,000,000
Commercial Umbrella Liability	15,000,000 w/ 10,000 Retention
Commercial Property Policy:	
Flood	50,000,000 w/ 100,000 Retention
Earthquake	50,000,000 w/ 100,000 Retention
Building, Personal Property EDP	278,965,500 w/ 25,000 Retention
Employee Benefits Liability	2,000,000 w/ 1,000 Retention
Commercial Auto:	
Liability	1,000,000
PIP	250,000 w/ 250 Retention
Med Commercial Auto	50,000
Med Personal Auto	10,000
Workers Compensation - Employer's Liability	1,000,000
Business Travel Accident	500,000

The Company's insurance coverages were verified on a consolidated basis in conjunction with the other members of the NJM Insurance Group.

POLICY FORMS AND UNDERWRITING PRACTICES

The Company's writings are restricted to a few lines of insurance with the largest amount of its direct premium volume (91.6%) attributable to risks written within the state of New Jersey. The Company's total direct written premiums for 2024 included 60.4% for its personal and commercial automobile business, 21% homeowners, and 15.8% for workers' compensation. The Company maintains its underwriting department at the home office.

The Company is a subscriber to the Insurance Services Office and avails itself to the organization's policy forms, rating classes and other rate related services. The Company is in compliance with N.J.S.A. 17:18-9, which limits the exposure on a single risk to an amount not exceeding 10% of the Company's net assets.

ACCOUNTS AND RECORDS

The Treasurer is responsible for the collection of all items due to the Company and for the payment of all obligations when due, and for the maintenance of full and accurate accounts thereof and of the securities of the Company. Additionally, the Treasurer will have custody of all money and securities owned by the Company subject to the direction and approval of the Board of Directors.

The Company's general ledger, investment ledger, general journal (entries), cash receipts and disbursements books, are maintained in the home office. Extensive use is made of electronic data processing in providing the essential underlying accounting and record keeping data necessary to control the insurance operations and other areas including investments, claims and personnel.

TREATMENT OF POLICYHOLDERS

NJM Insurance Group's complaint handling procedures as well as its complaint log were reviewed during the examination. The Group complies with N.J.S.A. 17:29B-4(10), which requires the Company to maintain a complaint handling procedure.

FINANCIAL STATEMENTS AND OTHER EXHIBITS

- | | |
|-------------------------|---------------------------------------------------------------------------------|
| <u>Exhibit A</u> | Balance Sheet as of
December 31, 2024 |
| <u>Exhibit B</u> | Summary of Operations for the
Five-Year Period Ending December 31, 2024 |
| <u>Exhibit C</u> | Capital and Surplus Account for the
Five-Year Period Ended December 31, 2024 |

Exhibit A

Balance Sheet As of December 31, 2024

<u>NET ADMITTED ASSETS</u>	<u>Per Examination</u> <u>12/31/2024</u>	<u>Per Company</u> <u>12/31/2024</u>	<u>Examination</u> <u>Change</u>	<u>Note</u> <u>Number</u>
Bonds	\$ 4,618,239,572	\$ 4,618,239,572	\$ -	1
Common stocks	3,874,862,108	3,874,862,108	-	
Real estate:				
Properties occupied by the Company	58,815,590	58,815,590	-	
Properties held for sale	8,155,893	8,155,893	-	
Cash, cash equivalents and short-term investments	11,149,337	11,149,337	-	
Other invested assets	447,806,644	447,806,644	-	
Subtotals, cash and invested assets	9,019,029,143	9,019,029,143	-	
Investment income due and accrued	42,858,117	42,858,117	-	
Premiums and considerations:				
Uncollected premiums and agents' balances	32,382,165	32,382,165	-	
Deferred premiums	767,160,097	767,160,097	-	
Reinsurance:	6,294,846	6,294,846	-	
Amounts recoverable from reinsurers				
Current federal and foreign income tax recoverable	898,071	898,071	-	
EDP equipment and software	45,448	45,448	-	
Receivables from parent, subsidiaries and affiliates	3,270,641	3,270,641	-	
Aggregate write-ins for other than invested assets:				
Accounts receivable and prepaid expenses	11,573,546	11,573,546	-	
Equities and deposits in pools and associations	2,921,674	2,921,674	-	
Total Net Admitted Assets	\$ 9,886,433,748	\$ 9,886,433,748	\$ -	
<u>LIABILITIES, SURPLUS AND OTHER FUNDS</u>	<u>Per Examination</u> <u>12/31/2024</u>	<u>Per Company</u> <u>12/31/2024</u>	<u>Examination</u> <u>Change</u>	<u>Note</u> <u>Number</u>
Losses	\$ 3,057,211,856	\$ 3,057,211,856	\$ -	2
Reinsurance payable on paid losses and loss adjustment expenses	260,930	260,930	-	
Loss adjustment expenses	690,928,019	690,928,019	-	2
Commissions payable	30,989,290	30,989,290	-	
Other expenses (excluding taxes, licenses and fees)	111,806,623	111,806,623	-	
Taxes, licenses and fees	27,658,417	27,658,417	-	
Net deferred tax liability	53,147,340	53,147,340	-	
Unearned premiums	1,392,524,240	1,392,524,240	-	
Advance premiums	32,971,095	32,971,095	-	
Dividends declared and unpaid - policyholder	46,732,365	46,732,365	-	
Ceded reinsurance premiums payable	11,574,530	11,574,530	-	
Amounts withheld or retained by Company for account of others	25,943,867	25,943,867	-	
Remittances and items not allocated	4,329,999	4,329,999	-	
Provision for reinsurance	468,099	468,099	-	
Aggregate write-ins for liabilities:				
Reserve for unclaimed premium balances, PDR-CAIP and accounts payable	2,215,113	2,215,113	-	
Liability for pension benefits	60,516,449	60,516,449	-	
Tenant improvement allowance	1,899,429	1,899,429	-	
Total Liabilities	\$ 5,551,177,662	\$ 5,551,177,662	\$ -	
Aggregate write-ins for special surplus funds	\$ 38,000,000	\$ 38,000,000	\$ -	3
Common capital stock	6,000,000	6,000,000	-	3
Gross paid in and contributed surplus	5,150,000	5,150,000	-	3
Unassigned funds (surplus)	4,286,106,087	4,286,106,087	-	
Surplus As Regards Policyholders	\$ 4,335,256,087	\$ 4,335,256,087	\$ -	
Total Liabilities, Surplus and Other Funds	\$ 9,886,433,748	\$ 9,886,433,749	\$ -	

Exhibit B

Summary of Operations for the Five-Year Period Ending December 31, 2024

As of December 31,	2024	2023	2022	2021	2020
UNDERWRITING INCOME					
Premiums earned	\$ 2,565,650,000	\$ 2,215,142,436	\$ 1,985,806,126	\$ 1,889,876,388	\$ 1,841,224,090
DEDUCTIONS					
Losses incurred	1,878,600,412	1,529,283,930	1,283,476,232	1,178,503,235	1,118,535,197
Loss adjustment expenses incurred	412,857,150	309,309,208	260,080,665	254,725,522	280,829,414
Other underwriting expenses incurred	495,503,044	489,546,515	450,885,325	367,353,844	309,593,663
Aggregate write-ins for underwriting deductions	(38,301)	95,852	(194,764)	28,220	174,674
Total underwriting deductions	<u>2,786,922,305</u>	<u>2,328,235,505</u>	<u>1,994,247,457</u>	<u>1,800,610,821</u>	<u>1,709,132,949</u>
Net underwriting gain (loss)	<u>(221,272,305)</u>	<u>(113,093,070)</u>	<u>(8,441,331)</u>	<u>89,265,567</u>	<u>132,091,141</u>
INVESTMENT INCOME					
Net investment income earned	181,414,762	163,345,607	155,853,795	165,157,126	165,436,439
Net realized capital gains (losses) less capital gains tax	<u>251,377,089</u>	<u>31,047,006</u>	<u>19,581,438</u>	<u>60,992,338</u>	<u>(2,252,735)</u>
Net investment gain (loss)	<u>432,791,851</u>	<u>194,392,614</u>	<u>175,435,233</u>	<u>226,149,464</u>	<u>163,183,704</u>
OTHER INCOME					
Net gain (loss) from agents' or premium balances charged off	(6,149,787)	(4,891,350)	(4,426,398)	(9,041,248)	(5,041,066)
Finance and service charges not included in premium	4,561,212	4,823,389	5,430,387	5,720,051	6,540,708
Aggregate write-ins for miscellaneous income	<u>3,885,484</u>	<u>4,141,682</u>	<u>7,982,745</u>	<u>3,923,278</u>	<u>3,847,685</u>
Total other income	<u>2,296,909</u>	<u>4,073,720</u>	<u>8,986,733</u>	<u>602,081</u>	<u>5,347,327</u>
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	213,816,455	85,373,265	175,980,635	316,017,112	300,622,173
Dividends to policyholders	<u>216,210,528</u>	<u>203,158,071</u>	<u>173,407,446</u>	<u>172,388,092</u>	<u>208,284,788</u>
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	(2,394,074)	(117,784,806)	2,573,189	143,629,020	92,337,385
Federal and foreign income tax incurred	<u>(44,053,726)</u>	<u>(23,823,067)</u>	<u>(3,965,669)</u>	<u>(1,059,269)</u>	<u>20,088,350</u>
Net Income	<u>\$ 41,659,652</u>	<u>\$ (93,961,739)</u>	<u>\$ 6,538,858</u>	<u>\$ 144,688,289</u>	<u>\$ 72,249,035</u>

Exhibit C

Capital and Surplus Account for the Five-Year Period Ending December 31, 2024

As of December 31,	2024	2023	2022	2021	2020
Capital and Surplus					
December 31, Previous Year	\$ 4,046,597,934	\$ 3,778,709,852	\$ 4,114,330,041	\$ 3,552,913,078	\$ 3,288,702,490
Net income	41,659,652	(93,961,739)	6,538,858	144,688,289	72,249,035
Change in net unrealized capital gains or losses	215,239,167	363,187,705	(382,406,381)	379,367,289	223,466,656
Change in net deferred income tax	11,317,541	17,115,391	2,495,223	(31,273,737)	19,560,347
Change in non admitted assets	(13,362,179)	(4,510,118)	(11,825,858)	(3,988,606)	4,166,069
Change in provision for reinsurance	(468,099)		3,360	(2,995)	7,593
Paid in surplus					5,000,000
Aggregate write-ins for gains or losses in surplus	34,272,070	(13,943,157)	49,574,610	72,626,723	(60,239,112)
Total other surplus gains or losses	246,998,500	361,849,821	(342,159,046)	416,728,674	191,961,553
Net change in capital and surplus for the year	288,658,152	267,888,082	(335,620,189)	561,416,964	264,210,588
Capital and Surplus					
December 31, Current Year	\$ 4,335,256,086	\$ 4,046,597,934	\$ 3,778,709,852	\$ 4,114,330,041	\$ 3,552,913,078

NOTES TO THE FINANCIAL STATEMENT

NOTE 1: INVESTMENTS

Bonds, Common Stocks, Cash, Cash Equivalents and Short-Term Investments

The Company reported admitted assets for Bonds of \$4,618,239,572, Common Stocks of \$3,874,862,108 and Cash, Cash Equivalents and Short-Term Investments of \$11,149,337 respectively at December 31, 2024.

Statutory Deposits

At December 31, 2024 the Company held a U.S. Treasury Note with a fair value of \$524,454 with the Commissioner of Banking and Insurance of the State of New Jersey in trust for the benefit and security of the policyholders of the Company. The certificate was held at TD Bank as required by the State of New Jersey. Additionally, the Company held a U.S. Treasury Bond with a fair value of \$88,328 with the Commissioner of Insurance of the State of Delaware in trust for the benefit and security of the policyholders of the Company.

NOTE 2: LOSS AND LOSS ADJUSTMENT EXPENSES

At December 31, 2024 the Company reported a net liability for Losses and Loss Adjustment Expenses of \$3,748,139,875.

Actuarial findings, as reviewed within this examination report, are the sole responsibility of the NJDOBI's Property and Casualty Actuarial Unit of the Office of Solvency Regulation. The NJDOBI engaged Actuarial Specialists from the firm Risk & Regulatory Consulting, LLC. It was determined that the Company's gross and net of reinsurance loss and loss adjustment expense reserves were determined to be reasonable.

NOTE 3: SURPLUS AS REGARDS POLICYHOLDERS

Common Capital Stock

The capital stock of the Company consists of \$6,000,000 divided into 15,000 authorized and outstanding shares of common stock having a par value per share of \$400 each.

Gross Paid In and Contributed Surplus

At December 31, 2024 the Company reported \$5,150,000 in paid in and contributed surplus.

Aggregate Write-Ins for Special Surplus Funds

At December 31, 2024 the Company reported \$38,000,000 in Special Surplus Funds as a contingency reserve for policyholder dividends.

Unassigned Funds (Surplus)

The Company reported an amount for unassigned funds at December 31, 2024 of \$4,286,106,087. This balance has been accepted by this examination as stated.

SUMMARY OF RECOMMENDATIONS

There were no recommendations as a result of this examination.

SUBSEQUENT EVENTS


No events occurred subsequent to the report date requiring disclosure.

CONCLUSION

A regular statutory condition examination was conducted by the undersigned with the assistance of contract examiners of Risk & Regulatory Consulting, LLC.

The examination and audit was conducted remotely. The courteous assistance and cooperation of the Company's officers and employees is acknowledged.

Respectfully Submitted,



Kristen Sharrow, CPA, CFE
Examiner-In-Charge
Risk & Regulatory Consulting, LLC
Representing the New Jersey Department of Banking
and Insurance

Under the Supervision of



Nancy Lee Chice, CFE
CFE Reviewer
New Jersey Department of Banking and Insurance

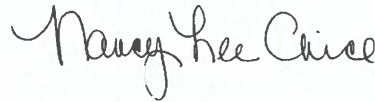
NEW JERSEY MANUFACTURERS INSURANCE COMPANY

The undersigned hereby certifies that an examination has been made of New Jersey Manufacturers Insurance Company and the foregoing report is true to the best of my knowledge and belief.

Respectfully Submitted,



Kristen Sharrow, CPA, CFE
Examiner-In-Charge
Risk & Regulatory Consulting, LLC



Nancy Lee Chice, CFE
CFE Reviewer
New Jersey Department of Banking and Insurance

State of New Jersey
County of Mercer

Subscribed and sworn to before me, 

On this 15th day of April, 2026

Signed, 

Notary Public of the State of New Jersey

My commission expires on: 3/17/2029

