EXHIBIT A

STATE OF TENNESSEE

DEPARTMENT OF COMMERCE AND INSURANCE

REPORT ON EXAMINATION

OF

PLATEAU INSURANCE COMPANY

CROSSVILLE, TENNESSEE

AS OF

DECEMBER 31, 2024

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Crossville, Tennessee
May 21, 2026

Honorable Carter Lawrence
Commissioner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, Tennessee 37243

Dear Commissioner:

In accordance with your instructions and pursuant to Tennessee Code Annotated ("Tenn. Code Ann.") § 56-1-408, a full-scope financial examination and market conduct review, as of December 31, 2024, has been made of the condition and affairs of:

PLATEAU INSURANCE COMPANY
NAIC #97152
2701 North Main Street
Crossville, Tennessee 38555

hereinafter referred to as the "Company" or "PIC" and a report thereon is submitted below:

INTRODUCTION

This examination was arranged by the Tennessee Department of Commerce and Insurance (TDCI or "Department"). The examination was conducted by duly authorized representatives of the Department. This examination was called through the National Association of Insurance Commissioners (NAIC) Financial Examination Electronic Tracking System (FEETS).

This examination was made simultaneously with the Company's direct parent, Plateau Casualty Insurance Company (PCIC). Further description of the coordination effort between the states is discussed below under the heading "Scope of Examination."

SCOPE OF EXAMINATION

The last examination of the Company was made as of December 31, 2019. This examination covers the period January 1, 2020, through December 31, 2024, and includes any material transactions and/or events occurring subsequent to the examination date which were noted during the course of examination.

The Company is part of a holding company group with other insurers. Tennessee is the Lead State. Insurers in the holding company group include Plateau Insurance Company (PIC), Plateau Casualty Insurance Company (PCIC), and Westport Life Insurance Company (WLIC). PIC and PCIC are both Tennessee domiciled companies while WLIC is an Arizona domiciled entity. Tennessee provided notice of the examination to Arizona along with an offer for coordination. Arizona declined the invitation to participate in the examination given that WLIC's business is limited to the assumption of credit life and disability insurance from PIC.

The examination was conducted in accordance with rules and procedures as prescribed by the statutes of the State of Tennessee, and in accordance with practices and procedures promulgated by the NAIC in the *Financial Condition Examiners Handbook* ("Handbook"), as deemed appropriate. The examination was planned and performed to evaluate the financial condition of the Company, as of December 31, 2024. The examination sought to identify prospective risks by obtaining information about the Company, including its corporate governance, by identifying and assessing inherent risks within the Company, and by evaluating system controls and procedures used to mitigate those risks. The examination also included assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation and management's compliance with statutory accounting principles and annual statement instructions.

All significant risks were considered when planning which key activities and accounts would be examined. The key activities included: Capital and Surplus, Cash and Investments, Reinsurance (Assumed), Reinsurance (Ceded), Related Party, Reserves and Claims Handling (Life), and Pricing and Underwriting.

The Company's 2024 annual statement was compared with or reconciled to the corresponding general ledger account balances.

Independent information technology specialist services, provided by Noble Consulting Services, Inc. were utilized in the examination review of the Company's information technology general controls (ITGC).

The actuarial firm Mahan Actuarial was utilized in the examination review of the Company's reinsurance and statutory reserves, as well as the risk assessment and review of controls for Reserving and Pricing key activities.

The Company's Certified Public Accountant (CPA) workpapers were reviewed for the 2024 audit and copies were incorporated into the examination, as deemed appropriate.

A separate market conduct review was performed concurrently with the financial examination. See the “Market Conduct Activities” section of this report.

COMPLIANCE WITH PREVIOUS EXAMINATION FINDINGS

The examination included a review to determine the current status of the comments and recommendations from the previous report of examination dated December 7, 2020, which covered the period from January 1, 2015, through December 31, 2019. The previous full-scope examination report contained two (2) comments and two (2) recommendations, detailed below.

Comments

1. A review of the complaint log found it did not contain all of the information required by Tenn. Code Ann. § 56-8-104(11). During the course of the examination, the Company corrected its complaint log to be in compliance with the Tennessee Code.

   Update: No issues were noted during this examination.

2. All of the agents utilized by the Company during this examination period were found to be licensed and appointed with the exception of one (1) due to an error. The Company corrected this error prior to completion of the examination fieldwork and properly appointed the agent so that it was in compliance with Tenn. Code Ann.§§ 56-6-103, 104, and 115.

   Update: No issues were noted during this examination.

Recommendations

1. The NAIC *Annual Statement Instructions* (“Instructions”) require the Appointed Actuary to report to the Board of Directors (“Board”) or the Audit Committee each year on the items within the scope of the Actuarial Opinion. The Instructions state that the minutes of the Board shall indicate that the Appointed Actuary has presented such information to the Board or the Audit Committee. Per review of the Board minutes for the Company and its parent, The Plateau Group, Inc. (“PGI”), there was no consistent documentation of review by the Board of the actuaries' annual report and findings.

It was recommended the Board receive and review the actuaries' annual report and findings and document the review in the meeting minutes in accordance with the Instructions.

Update: Board meeting minutes from the current examination period were reviewed, noting lack of review and approval of the actuarial opinion in 2022, in violation of the Instructions. Therefore, this is a repeat finding for the current examination. See the "Comments and Recommendations" section of this report for additional details.

2. The Company has not conducted on-site reviews of its Managing General Agents at least semi-annually, as required by Tenn. Code Ann. § 56-6-505(c).

   It is recommended the Company conduct on-site reviews as required by Tenn. Code Ann. § 56-6-505(c).

   Update: No issues were noted during this examination.

COMPANY HISTORY

The Company was incorporated on July 29, 1980, to engage in the business of credit life insurance and credit accident and health insurance, as a Tennessee domiciled for-profit life insurance company.

In September 2006, ownership of the Company was transferred from the parent, PGI, to an affiliate, PCIC by virtue of a non-cash dividend in the amount of $5,629,032. This dividend amount represented the statutory book value of the Company as of the effective date of the transfer. After this restructuring, the ownership structure was that PGI owns one hundred percent (100%) of PCIC, which in turn owns one hundred percent (100%) of PIC.

In December 2021, PGI was purchased by Cardiff Insurance Group, LLC ("Cardiff"), a subsidiary of Hoplon Capital, LLC ("Hoplon").

MANAGEMENT AND CONTROL

MANAGEMENT

Directors

The Company's Bylaws state the number of directors shall consist of no fewer than four

(4) or more than fifteen (15) members. The exact number of directors may be determined from time to time by either the stockholders or directors. Directors shall be elected by the shareholders at each annual meeting, and each director shall be elected to serve for a term of one (1) year, or until his or her successor is elected and qualifies.

The following persons were serving as members of the Board as of December 31, 2024:

Name	Principal Occupation
Robert Arsov	President, Hoplon
Christopher Ryan Walters	Vice President, Hoplon
William Michael Reinsch	President, Transpo International Ltd.
Brian John Nolan	Executive Vice President, Pennsylvania Physicians Reciprocal Insurers

The annual meeting of the shareholders shall be held during the first five (5) months following the end of the Company's fiscal year, on a date set by the Board. The business to be transacted at such meeting shall be the election of directors and such other business as shall be properly brought before the meeting. The Company was unable to provide evidence of annual meetings of the shareholders being held in 2023 or 2024, in violation of Tenn. Code Ann.§ 48-17-101. As such, the members of the Board were not properly elected in accordance with the Company's bylaws in 2023 or 2024. See "Comments and Recommendations" section of this report for additional details.

Officers

The Bylaws provide that the officers of the Company shall be a President, an Executive Vice President, a Secretary, a Treasurer, and such other officers as the Board may determine. The same individual may simultaneously hold more than one (1) office in the corporation, except the President may not simultaneously hold the office of Secretary, as provided by the Bylaws.

The following officers were duly elected by the Board and serving as officers of the Company as of December 31, 2024:

Name	Title
David Michael Graham	President
Cynthia Starrett	Chief Financial Officer
Maria Varandela Amoedo	Secretary
Tracy Dale Graham	Treasurer

The Board did not elect an Executive Vice President officer in 2024 in accordance with its bylaws. See the "Comments and Recommendation" section in the report for additional details.

The administrative and executive functions of the Company are performed by staff employed through its parent, PGI, and provided to the Company under the recitals of a Management Service Agreement between the Company and PGI as described in this report under the heading “Agreements with Parent, Subsidiaries, and Affiliates.” Certain services are purchased from outside contractors, if needed and not available from in-house personnel. Such services include actuarial analysis and independent audit.

Committees

The Company’s only Board committee is the Audit Committee. The mission of the Audit Committee is to provide an independent and objective assessment of the Company’s activities, operations, financial systems, and internal controls. Effective September 13, 2024, the Audit Committee of PIC sits at the PGI level as authorized by Tennessee Compilation of Rules and Regulations (Tenn. Comp. R. & Regs) 0780-01-65-.15(7).

The following individuals were serving on the Audit Committee as of December 31, 2024:

Name	Title
Maria Amoedo	Corporate Secretary
William Reinsch	President, Transpo International Ltd.
Christopher Walters	Vice President, Hoplon

CONTROL

The Company is a member of an insurance holding company system as defined by Tenn. Code Ann. § 56-11-101(b)(9), and as such, is subject to the Insurance Holding Company System Act of 1986, set forth in Tenn. Code Ann. §§ 56-11-101, *et seq*. PGI files a holding company registration statement annually, as required by Tenn. Code Ann. § 56-11-105. The ultimate controlling person (UCP) of the Company is Robert Arsov.

ABBREVIATED ORGANIZATIONAL CHART

The following abbreviated organizational chart shows the members of the holding company group as listed within the Company’s 2024 Annual Statement:

	NAIC Co. Code	Domiciliary State/Country	Percent Owned
Robert Arsov – UCP	-	CT	-
Hoplon Capital, LLC	-	DE	83.12%
Hoplon Asset Management, L.P.	-	DE	100%
Cardiff Insurance Group, LLC*	-	DE	91.05%

The Ohlson Group, Inc.	-	IN	100%
The Plateau Group, Inc.	-	TN	100%
Westport Life Insurance Company	62332	AZ	100%
Plateau Reinsurance Company	-	TN	100%
Plateau Service Company	-	TN	100%
Plateau Warranty Company	-	TN	100%
Plateau Casualty Insurance Company	10817	TN	100%
Plateau Insurance Company	**97152**	**TN**	**100%**
Horizon Services Reinsurance Limited	-	TCA	100%
Preferred Reinsurance, LTD	-	TCA	100%
Hoplon Fund II, L.P. **	-	DE	100%

* Cardiff is 45.94% owned by Hoplon and 45.11% owned by Hoplon Fund II, L.P. The remaining 8.95% is owned by Raymond, Nicholas, and Joseph Ohlson (collectively, the "Ohlson Family").
** Hoplon Fund II, L.P. was included on this abbreviated organizational chart due to its 45.11% ownership interest in Cardiff. All other organizations at the Hoplon level, and any subsidiaries, have been excluded from this chart.

DIVIDENDS

The Company did not declare or pay dividends during the examination period.

CORPORATE RECORDS

The minutes of the Company's shareholder, Board, and Audit Committee were reviewed for the period under examination. The Board and Audit Committee minutes were generally complete as to necessary detail and appear to adequately reflect the acts of the respective bodies. However, as noted in the "Comments and Recommendations" section, the Company's shareholders did not hold an annual meeting in 2023 or 2024, in accordance with Tenn. Code Ann.§ 48-17-101.

Through review of Conflict of Interest disclosure statements of the officers and directors of the Company, it was found that the Company could not provide signed Conflict of Interest statements for the majority of the officers and directors of the Company at the examination date and could not provide any signed Conflict of Interest statements from 2020 through 2023. See the "Comments and Recommendations" section of this report for more details.

The review of the Board minutes indicates that all investment transactions were approved by the Board pursuant to Tenn. Code Ann. § 56-3-408(b)(1).

Charter

The Charter of the Company in effect as of December 31, 2024, is the Company's Amended Charter, which was filed with the Tennessee Secretary of State on May 2, 2011.

The Charter states the Company is for-profit, organized to conduct business as an insurance company under the laws of the State of Tennessee. The Company made no amendments to its Charter during the period of examination.

Bylaws

The Bylaws of the Company in effect as of December 31, 2024, are the Company's Amended and Restated Bylaws, which were adopted by the Board on June 19, 2014. No amendments or restatements were made to the Company's bylaws during the period of examination. The Bylaws are such as generally found in companies of this type and contain no unusual provisions. They provide for the regulation of the business and for the conduct of the affairs of the Company, the Board, and its shareholder.

AGREEMENTS WITH PARENT, SUBSIDIARIES, AND AFFILIATES

The Company had the following significant agreements with its parent and affiliated companies in effect, as of December 31, 2024:

Management Service Agreement

Effective June 16, 2017, PIC entered into a management service agreement with PGI, whereby PGI agrees to provide marketing and administrative services to the Company. Pursuant to this agreement, PIC pays a fee within a range of two and one-half percent (2.5%) to five percent (5%) of net written premiums. In 2024, the amount paid to PGI by PIC was approximately five percent (5%) of direct plus assumed premiums.

Lease Agreement

Effective January 1, 2013, PIC is party to a lease agreement with PGI for use of the PGI's home office located at 2701 North Main Street, Crossville, Tennessee. The agreement was amended twice during the examination period, on January 1, 2023, and January 1, 2024, to increase the monthly rent.

TERRITORY AND PLAN OF OPERATION

TERRITORY

The Company is a stock for-profit insurance company domiciled in Tennessee and is licensed to transact business in forty-seven (47) states as well as the District of Columbia, Guam and Northern Mariana Islands, as of December 31, 2024. Certificates of Authority granted by the licensed states were reviewed and found to be in force as of December 31, 2024. The Company currently has no applications pending for admission to any other states or territories.

Premium tax records were reviewed for Tennessee and no exceptions were noted.

PLAN OF OPERATION

The Company offers both credit life and credit accident and health insurance through group policies with consumer finance companies, community banks, automobile dealers, and other sales finance entities, collectively, the “producers”. The producers then issue coverage, conveyed by insurance certificates issued under the group policy, to its customers.

Many of the producers have organized reinsurance companies to which PIC cedes risk, thereby allowing the producers to participate in the profit or loss of the business. These reinsurance companies are known as producer-owned reinsurance companies (PORCs). PGI and the Company specialize in setting up and managing PORCs as a primary way to add new credit insurance relationships. The services offered include licensing, financial and tax return preparation/filings, and regulatory support. PGI and the Company act as Treasurer for and control the assets of the PORCs. PORC assets are held in U.S. domestic banks.

GROWTH OF COMPANY

The following exhibit depicts certain aspects of the growth and financial history of the Company for the period subject to this examination, according to its annual statements filed with the TDCI. *(Note: Failure of the columns to add to the totals reflected in this Report is due to rounding):*

Year	Admitted Assets	Liabilities	Capital and Surplus	Premiums and Annuity Considerations	Net Income
2024	$34,665,251	$12,161,604	$22,503,647	$34,279,477	$1,336,610
2023	$31,979,910	$10,815,081	$21,164,829	$23,766,135	$1,118,832
2022	$31,320,175	$11,278,067	$20,042,108	$21,066,504	$639,201
2021	$28,922,886	$ 9,690,137	$19,232,749	$18,309,018	$475,992
2020	$28,574,218	$10,216,656	$18,357,562	$16,123,376	$1,248,912

LOSS EXPERIENCE

As developed from applicable amounts included in the Company’s annual statements, the ratios of losses incurred to direct premiums earned for the period subject to this examination were as follows:

Year	Life Premiums	Death Benefits	Loss Ratio	Accident & Health Premiums	Disability Benefits	Loss Ratio
2024	$18,879,518	$6,720,671	35.6%	$40,792,241	$14,620,678	35.8%
2023	$16,780,042	$6,091,599	36.3%	$31,422,966	$10,294,062	32.8%
2022	$16,673,611	$6,879,404	41.3%	$27,957,622	$8,193,464	29.3%
2021	$16,619,330	$9,263,182	55.7%	$25,824,548	$6,525,183	25.3%
2020	$16,286,872	$7,867,447	48.3%	$23,564,043	$5,523,565	23.4%

REINSURANCE AGREEMENTS

The Company's significant reinsurance agreements were found to contain such language as recommended by the NAIC and as required for reinsurance credit pursuant to Tenn. Code Ann. § 56-2-207(a)(2). All agreements appear to effectuate proper transfer of risk in accordance with Statement of Statutory Accounting Principles No. 61 – Life, Deposit-Type, and Accident and Health Reinsurance, and NAIC guidelines.

The significant reinsurance agreements in effect as of December 31, 2024, are described below:

Assumed Reinsurance

Plateau Casualty Insurance Company (PCIC)

The Company assumes one hundred percent (100%) of each death, disability, and accidental death and dismemberment risks covered under a debt protection (cancellation) program from PCIC, effective January 1, 2014. All other risks covered by the Contractual Liability Insurance Policy (CLIP), such as involuntary unemployment, family leave, and hospitalization remain with PCIC. Debt protection coverage involves a risk where a consumer's debt due to a financial institution will be cancelled in the event of certain specified occurrences. To this end, PCIC issues a CLIP to the financial institution. The treaty allows the life risk to be transferred to PIC, whereby, PIC can then retrocede some of the risk to Munich American Reassurance Company (MARC). MARC cannot assume business from a property and casualty company directly, making it necessary to cede the risk to PIC so that some of the risk can be retroceded to MARC.

Individual Assurance Company (IAC)

Under an agreement effective September 30, 2012, PIC assumed the credit insurance business of IAC on a one hundred percent (100%) indemnity basis. This acquisition involved the assumption of all in-force business. PIC began to convert premium produced by IAC producers to PIC policies. PIC still assumes premium from IAC, which is primarily monthly outstanding balance premium on group mortgage policies.

Ceded Reinsurance

Individual Assurance Company (IAC)

The Company retrocedes back to IAC liabilities arising under certain IAC policies/certificates of credit life and credit accident and health insurance in-force prior to the September 30, 2012 assumption agreement discussed above, and policies issued on IAC policies and effective after September 29, 2012, to the extent necessary to enable IAC to meet its obligations under agreements existing at the date the business was originally acquired.

Munich American Reassurance Company (MARC): Credit Insurance

Pursuant to an agreement initially effective January 1, 1995, for its credit life and accidental death risks, PIC typically retains $40,000 per insured life and cedes the excess to MARC. The agreement has been amended several times for minor coverage related details. In instances where a PORC retains a per-life risk, the threshold is increased to cover the risk retained by a PORC plus PIC's retention of $40,000, the excess above this combined threshold is ceded to MARC. The treaty was amended effective January 1, 2023, to retain up to $55,000 on certain producers where the total risk per certificate was increased to $150,000. This increase is limited to certain producers, primarily banks, who requested higher limits.

In addition, the treaty provides for reinsurance on accident and health monthly payment risks above $1,000 per month, (PIC retention).

Munich American Reassurance Company: Debt Protection

A reinsurance treaty between IAC and MARC regarding debt protection risk, originally effective April 1, 2010, was novated effective October 1, 2013, replacing IAC with PIC. Under this treaty, PIC retains fifty percent (50%) of the first $50,000 of all-cause death protection and twenty percent (20%) of the first $50,000 of accidental death protection. The issue limits per loan are $100,000 for all-cause death and $250,000 for accidental death. MARC assumes all remaining risk; therefore, MARC assumes up to $75,000 for all-cause death and up to $240,000 for accidental death.

Plateau Reinsurance Company (PRC)

PIC maintains an arrangement whereby it cedes one hundred percent (100%) of its accident and health exposure that is not ceded to a PORC or MARC on a written basis to an affiliate, PRC, a Tennessee domiciled captive. Business is ceded to PRC on a written basis. Ultimately business is ceded to a PORC on an earned basis or subject to a retrocession agreement based on experience, is retroceded back to PIC on an earned basis. Business that is not subject to a reinsurance treaty with a PORC or a producer retrocession is retained by PRC.

Producer Owned Reinsurance Companies (PORCs)

A significant component of the Company's operations involves the organization and management of numerous PORCs, which are owned by individual credit producers. The Company provides a comprehensive array of management services to the individual PORCs, including naming an officer of the Company as Treasurer of the PORC, primarily for the purpose of managing the collateral required to obtain credit for unauthorized reinsurance.

For credit life risks, PIC and/or the individual PORC will typically retain the first $55,000 of risk and cede the excess to MARC via a reinsurance contract described above. In most cases, a PORC will assume the first $15,000 of a credit life policy, PIC will take the next $40,000, and the rest will be ceded to MARC. If there is no PORC included, then the excess above $40,000 is ceded directly to MARC.

Most transactions involving accident and health business are initially ceded to the captive company, PRC, on a written basis. Business which is contracted to be ceded to a PORC on an earned basis, is retroceded back to PIC as it is earned. If a PORC assumes accident and health business on a written basis, the proportionate amount of premium is ceded directly to the PORC with the remainder being ceded to PRC. In general, assuming business on either a written or earned basis will limit the PORC's monthly payment risk. The prevailing monthly risk amount is $250 per month; however, some PORCs may choose a higher risk amount. Any premium not ceded or intended to be ceded to a PORC will be ceded to PRC at a maximum retained risk of $1,000 per month. Any premium on risks in excess of $1,000 plus the PORC retention is ceded to MARC.

ACCOUNTS AND RECORDS

During the course of the examination, certain balances were tested, and amounts were traced from the Company's trial balance to the annual statement. The Company's investment securities were confirmed with the custodian of such securities as of the date of this examination. All annual statements for the period under examination were reviewed for completeness and adequacy of disclosure. The Company's risk-based capital filings were reviewed. These test checks and reviews revealed no material discrepancies.

It was noted that the Company did not receive authorization by the Board to enter into its custodial agreement in accordance with Tenn. Comp. R. & Regs. 0780-01-46-.02(2). See the “Comments and Recommendations” section of the report for further details.

The Company’s books and records are located in Crossville, Tennessee.

MARKET CONDUCT ACTIVITIES

A market conduct review was made of the Company, as of December 31, 2024, in conjunction with this examination. The following items were addressed:

Operations and Management Standards

Company antifraud initiatives were examined to determine if they are reasonably designed to prevent, detect, or mitigate fraudulent insurance acts. It was found that certain claim and application forms did not include a fraud warning statement as required by Tenn. Code Ann. § 56-53-111. See the “Comments and Recommendations” section of this report for additional details.

Company procedures and policies relating to privacy were reviewed to determine compliance with Tenn. Code Ann. § 56-8-104(19). No issues or concerns were identified.

Complaint Handling Practices

The Company maintains a complaint register and supporting files as required by various state Unfair Trade Practices Acts. The complaint register was examined in accordance with requirements of Tenn. Code Ann. § 56-8-104(11) and the NAIC Market Regulation Handbook ("Market Handbook") and was found to be in compliance.

Marketing and Sales Standards

A sample of the Company’s advertising materials were selected for examination including print, internet materials, social media sites, and PowerPoint presentations issued by the company to target consumers, agents, brokers, and financial institutions. Advertising items were examined in accordance with Tenn. Code Ann. § 56-8-104(1) and the Market Handbook (Chapter 20 (C) – Marketing and Sales) and were found to be in compliance.

Producer Licensing Standards

A review was performed of the Company’s licensed and appointed agents. All of the agents utilized by the Company during this examination were found to be licensed and appointed in compliance with Tenn. Code Ann. §§ 56-6-103, 104 and 115.

Policyholder Services Standards

The Company's timeliness of policy issuance, premium billing, response to policyholder requests, provisions of adequate disclosures, and compliance with applicable statutes and rules were examined. The Company was found to be in compliance with the relevant market conduct standards.

Underwriting and Rating Standards

In the examination of the Company's underwriting procedures and policy administration, policy files for open and closed policies were reviewed in accordance with Tenn. Code Ann. § 56-8-104, Tenn. Comp. R. & Regs. 0780-01-34, and established Company guidelines. In the examination of these contracts, there were no instances of unfair methods of competition or unfair or deceptive acts found. Underwriting procedures and policy administration conducted by the Company appear to be in compliance with established Company guidelines.

The examiners reviewed a sample of the policy forms that were used by the Company during the period of examination. All forms were noted, without exception, as having been filed with the TDCI prior to their use, in accordance with Tenn. Code Ann. §§ 56-7-905(c) and 56-7-2311(a). The filings are consistent in form and include appropriate documentation.

Claims Handling Standards

In the examination of claims handling standards, the Company's efficiency of claims handling, accuracy of payment, adherence to contract provisions, and compliance with applicable statutes and rules were examined. In conducting the examination, random samples were selected from claims approved and resisted by the Company. The Company's claims were properly documented and handled in accordance with the Company's policy provisions and applicable statutes and rules. No issues or concerns were identified.

SUBSEQUENT EVENTS

During the examination, a review of subsequent events was performed. No events were noted that required additional disclosure in this examination report. Management stated in its Letter of Representation that they were not aware of any events subsequent to December 31, 2024, that could have a material effect on the Company's financial condition. Our review confirmed the Company's disclosures in its 2024 Annual Statement and in its Letter of Representation.

Per a no-objection letter from the TDCI dated February 23, 2026, PGI will use the name

"Lumos Insurance" as an assumed name at the holding company level for marketing purposes. The legal names of Plateau Casualty Insurance Company and Plateau Insurance Company remain unchanged.

On March 20, 2026, the TDCI approved PIC's request to pay a $400,000 extraordinary dividend to PCIC.

FINANCIAL STATEMENTS

There follows a statement of assets, liabilities, surplus and other funds, and a summary of operations, as of December 31, 2024, together with a reconciliation of capital and surplus for the period under review, as reported by the Company in its 2024 Annual Statement. *(Note: Failure of the columns to add to the totals reflected in this Report is due to rounding.)*

ASSETS

	Assets	Non-Admitted Assets	Net Admitted Assets
Bonds	$ 23,244,083		$ 23,244,083
Preferred stocks	1,032,080		1,032,080
Common stocks	125,173		125,173
Real estate:			
Properties occupied by the company	128,485		128,485
Cash, cash equivalents, and short-term investment	7,335,175		7,335,175
Other invested assets	260,000		260,000
Investment income due and accrued	119,209		119,209
Premiums and considerations:			
Uncollected premiums and agents' balances in the course of collection	722,737		722,737
Reinsurance:			
Amounts recoverable from reinsurers	441,294		441,294
Other amounts receivable under reinsurance contracts	374,813		374,813
Net deferred tax asset	498,110	$ 38,106	460,004
Guaranty funds receivable or on deposit	66,790		66,790
Electronic data processing equipment and software	328,781		328,781
Aggregate write-ins for other-than-invested assets	82,344	55,717	26,627
Totals	$ 34,759,074	$ 92,823	$ 34,665,251

LIABILITIES, SURPLUS, AND OTHER FUNDS

Aggregate reserve for life contracts		$ 5,446,471
Aggregate reserve for accident and health contracts		959,045
Contract claims:		
Life		1,105,343
Accident and health		366,250
Commissions to agents due or accrued		156,954
General expenses due or accrued		607,637
Taxes, licenses and fees due or accrued		459,276
Current federal and foreign income taxes		164,460
Miscellaneous liabilities:		
Asset valuation reserve (AVR)		73,101
Reinsurance in unauthorized companies		243,814
Aggregate write-ins for liabilities		2,579,254
Total Liabilities		$ 12,161,604
Common capital stock	$ 2,500,000	
Gross paid in and contributed surplus	1,000,000	
Unassigned funds (surplus)	19,003,647	
Total Capital and Surplus		22,503,647
Totals		$ 34,665,251

SUMMARY OF OPERATIONS

Premiums and annuity considerations for life and accident and health contracts	$ 34,279,477	
Net investment income	813,460	
Amortization of Interest Maintenance Reserve (IMR)	(30,793)	
Commissions and expense allowances on reinsurance ceded	18,277,536	
Miscellaneous income:		
Aggregate write-ins for miscellaneous income	30,000	
Total Income		$ 53,369,680
Death benefits	4,226,482	
Disability benefits and benefits under accident and health contracts	11,308,153	
Increase in aggregate reserves for life and accident and health contracts	641,950	
Total Benefits		16,176,585
Commissions on premiums, annuity considerations and deposit-type contract funds	22,796,591	
Commissions and expense allowances on reinsurance assumed	6,571,592	
General insurance expenses and fraternal expenses	4,875,016	
Insurance, taxes, licenses and fees, excluding federal income taxes	1,377,392	
Total Expenses		35,620,591
Total Benefits and Expenses		51,797,176
Net gain from operations before dividends to policyholders and federal income taxes		1,572,504
Net gain from operations after dividends to policyholders and before federal income taxes		1,572,504
Federal and foreign income taxes incurred		235,894
Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses)		1,336,610
Net Income		$ 1,336,610

CAPITAL AND SURPLUS ACCOUNT

	2024	2023	2022	2021	2020
Capital and Surplus December 31, previous year	$21,164,829	$20,042,108	$19,232,749	$18,357,561	$17,557,080
Net income or (loss)	1,336,610	1,118,832	639,201	475,992	1,248,912
Change in net unrealized capital gains or (losses)	39,592	27,271	(316,291)	88,698	(8,844)
Change in net deferred income tax	(115,063)	(81,550)	(24,308)	(108,552)	(89,181)
Change in non-admitted assets	166,476	133,903	363,892	552,509	851,900
Change in liability for reinsurance in unauthorized and certified companies	(83,763)	(38,898)	19,611	(75,742)	101,613
Change in asset valuation reserve	(5,033)	(36,838)	127,253	(57,717)	(3,919)
Change in surplus notes					(1,300,000)
Net change in capital and surplus for the year	1,338,819	1,122,721	809,358	875,188	800,481
Capital and Surplus December 31, current year	$22,503,648	$21,164,829	$20,042,108	$19,232,749	$18,357,562

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS

Total Capital and Surplus	$22,503,648

Total capital and surplus, as established by this examination, is the same as reported by the Company in its 2024 Annual Statement. There were no changes made to any asset or liability items as a result of our examination performed as of December 31, 2024.

COMMENTS AND RECOMMENDATIONS

The following list presents a summary of comments and recommendations noted in this report:

Comments

1. The Company was only able to provide a signed Conflict of Interest statement for three (3) of the eight (8) total directors and officers (per the jurat page) in place as of December 31, 2024. Additionally, the Company was unable to provide a signed Conflict of Interest statement from any officer or director for any other year of the exam period. Per Tenn. Code Ann. § 56-3-103, conflicts of interest involving company directors or officers are strictly prohibited.

   It is recommended that the Company ensure that directors and officers are free from any conflicts of interest by requiring signed Conflict of Interest statements annually.

2. The Bylaws provide that the officers of the Company shall be a President, an Executive Vice President, a Secretary, a Treasurer, and such other officers as the Board may determine. In 2024, the Board did not elect an Executive Vice President to serve as an officer in accordance with the Bylaws.

   It is recommended that the Company ensure that its Board annually elects all officers required by its Bylaws.

Recommendations

1. A review of the meeting minutes of the Board and shareholders of the Company found that the Company's shareholders did not hold annual meetings for the election of directors in accordance with its Bylaws and Tenn. Code Ann. § 48-17-101 for the following years under examination: 2023 and 2024.

It is recommended that the Company ensure that its shareholders meet annually for the election of the directors in accordance with its Bylaws and Tenn. Code Ann. § 48-17-101.

2. The Company did not receive authorization of its custodial agreement by the Board. Per Tenn. Comp. R. & Regs. 0780-01-46-.02(2), custody agreements should be in writing and authorized by the Board or an authorized committee thereof.

   It is recommended that the Company ensure that all custodial agreements are authorized by the Board or an authorized committee thereof in accordance with Tenn. Comp. R. & Regs. 0780-01-46-.02(2).

3. It was found that certain claim and application forms utilized by the Company during the examination period did not contain the following statement, or one to that effect, as required by Tenn. Code Ann. § 56-53-111:
   "It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits."

   It is recommended that the Company update its claim and application forms to include the fraud warning statement as required by Tenn. Code Ann. § 56-53-111.

4. The Instructions require the Appointed Actuary to report to the Board of Directors ("Board") or the Audit Committee each year on the items within the scope of the Actuarial Opinion. The Instructions state that the minutes of the Board shall indicate that the Appointed Actuary has presented such information to the Board or the Audit Committee. Per review of the Board minutes for the Company and its parent, The Plateau Group, Inc. ("PGI"), there was no documentation of review by the Board of the actuaries' annual report and findings in 2022. This is a repeat finding from the prior examination.

   It is recommended the Board receive and review the actuaries' annual report and findings and document the review in the meeting minutes in accordance with the Instructions.

CONCLUSION

Rules and procedures as prescribed by the statutes of the State of Tennessee and guidance from the NAIC Handbook, as deemed appropriate, have been followed in connection with the verification and valuation of assets and the determination of liabilities of Plateau Insurance Company.

In such manner, it was found that as of December 31, 2024, the Company had admitted assets of $34,665,251 and liabilities, exclusive of capital and surplus, of $12,161,604. Thus, there existed for the additional protection of the policyholders, the amount of $22,503,647 in the form of common capital stock, gross paid in and contributed surplus, and unassigned funds. Tenn. Code Ann. §§ 56-2-114 and 56-2-115 require an insurer of this Company's type to maintain a minimum capital of $1,000,000 and minimum surplus of $1,000,000. For this examination, as of December 31, 2024, the Company maintains capital and surplus sufficient to satisfy those requirements.

The courteous cooperation of the officers and employees of the Company, extended during the course of the examination, is hereby acknowledged.

In addition to the undersigned, James Menck, CFE, CPA, Melissa Gibson, CFE, Kristina Sampson, Rick Nelson, CFE, CIE, MCM, Stefan Obereichholz-Bangert, AES, CISA, CISM, CDPSE, and Michael Nadeau, CISA, CFE, CPA, AES of Noble Consulting Services, Inc., participated in the work of this examination. An actuarial review was performed by Steve Mahan, FSA of Mahan Actuarial.

Respectfully submitted,

Shelby Lambert
Shelby Lambert (Jun 15, 2026 12:24:01 EDT)

Shelby Lambert, CFE, CIE, MCM
Examiner-in-Charge
Noble Consulting Services, Inc.
Representing the State of Tennessee

Don Karnes

Don Karnes, CFE, MCM
Department Designee
State of Tennessee

CERTIFICATION

The undersigned certifies and says that she has duly executed the attached examination report of Plateau Insurance Company located in Crossville, Tennessee, dated May 21, 2026, and made as of December 31, 2024, on behalf of the Tennessee Department of Commerce and Insurance. The undersigned further says she is familiar with such instrument and the contents thereof, and the facts therein set forth are true to the best of her knowledge, information and belief.

Shelby Lambert
Shelby Lambert (Jun 15, 2026 12:24:01 EDT)

Shelby Lambert, CFE, CIE, MCM
Examiner-in-Charge
Noble Consulting Services, Inc.
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Don Karnes

Don Karnes, CFE, MCM
Department Designee
State of Tennessee

EXHIBIT B

June 17, 2026

Bryant Cummings
Director of Financial Examinations/Chief Examiner
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, TN 37243-1135

RE: **Report of Examination – Plateau Casualty Insurance Company**

Dear Mr. Cummings:

We hereby acknowledge receipt of the final Report of Examination for Plateau Insurance Company, made as of December 31, 2024.

By signing below, we indicate acceptance of the report, as transmitted, without rebuttal.

Sincerely,

Michael J. Morris
General Counsel & Corporate Secretary

cc: Vincent L. Bodnar, President
Tracy Graham, Treasurer

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