

**EXAMINATION REPORT**  
**OF**  
**AWBURY INSURANCE COMPANY**  
**AS OF**  
**DECEMBER 31, 2024**

TRINIDAD NAVARRO  
COMMISSIONER



STATE OF DELAWARE  
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION  
OF  
AWBURY INSURANCE COMPANY  
AS OF  
DECEMBER 31, 2024

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

A handwritten signature in blue ink, which appears to read "Trinidad Navarro", is written over a horizontal line.

Trinidad Navarro  
Insurance Commissioner

Dated this   1st   day of   December  , 2025

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November 17, 2025

Honorable Trinidad Navarro  
Commissioner of Insurance  
Delaware Department of Insurance  
1351 West North Street, Suite 101  
Dover, Delaware 19904

Dear Commissioner:

In compliance with instructions and pursuant to statutory provisions contained in Examination Certification No. 25.006, an examination has been made of the affairs, financial condition and management of

**AWBURY INSURANCE COMPANY**

hereinafter referred to as Company or AIC. The Company is an incorporated association under the laws of the State of Delaware as a stock company with its main office located at 60 Arch Street, Floor 2, Greenwich, CT, US 06830-6544.

**SCOPE OF EXAMINATION**

The Delaware Department of Insurance (Department) performed a risk-focused financial examination of the Company. The previous regulatory examination of the Company covered the five-year period from January 1, 2015 through December 31, 2019. This examination covered the five-year period from January 1, 2020 through December 31, 2024.

We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook* (Handbook) and generally accepted statutory insurance examination standards consistent with the Insurance Code and

Regulations of the State of Delaware. 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.

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, pursuant to the General Corporation Law of the State of Delaware as required by 18 *Del. C.* § 321, along with general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature, are not included within the examination report but separately communicated to other regulators and/or the Company.

During the course of this examination, consideration was given to work performed by the Company's external accounting firm Grant Thornton. Certain auditor work papers of the 2024 Grant Thornton audit of the Company have been incorporated into the work papers of the examiners and have been utilized in determining the scope, areas of emphasis in conducting the examination and in the area of risk mitigation and substantive testing.

## **SUMMARY OF SIGNIFICANT FINDINGS**

There were no significant findings or material adjustments in the financial statements as a result of this examination.

## **COMPANY HISTORY**

The Company was incorporated on November 4, 2014, under the laws of the State of Delaware as a stock property and casualty insurance company, and was licensed on March 10, 2015. Since its inception, the Company has not written any business.

### **Capitalization**

The Company has 100 shares of common stock authorized, issued and outstanding with no par value.

AIC was incorporated in 2014 with a capital contribution of \$750,000. On April 22, 2015 the shareholder of the Company contributed an additional \$250,000 of paid in capital. On November 9, 2015 \$25,000 was contributed to capital. In September 2020, a further capital contribution of \$19,750,000 was made. The Company currently has \$500,000 in share capital and \$20,275,000 in paid in and contributed surplus.

### **Dividends**

The Company has made no dividend payments during the examination period.

## **MANAGEMENT AND CONTROL**

Pursuant to the General Corporation Law of the State of Delaware, as implemented by the Company's Certificate of Incorporation and bylaws, all corporate powers and its business property and affairs are managed by, or under the direction of, its Board of Directors (Board). The bylaws of the Company state the number of directors shall not be less than three directors. The officers of the Company shall include a chief executive officer, a secretary and a treasurer. The Board may

also appoint a chairman, one or more vice presidents and such other officers as are from time to time desired.

### Directors

The Directors elected and serving the Company as of December 31, 2024 were as follows:

<u>Name</u>	<u>Position/Title</u>
Michael Teichman	Director
Alexander Dubitsky	Director
Andrew Kaplan	Director

### Officers

The Officers elected and serving the Company as of December 31, 2024 were as follows:

<u>Name</u>	<u>Position/Title</u>
Alexander Dubitsky	Chief Executive Officer
Andrew Kaplan	Chief Financial Officer, Chief Underwriting Officer, Chief Risk Officer and Treasurer
B. Schuyler Edwards	Vice President, Risk and Claims and AML Officer
Yaakov Feingold	General Counsel and Secretary
Joseph Curran	Vice President, Chief Operating Officer
John Mawe	Vice President, Products
Sokha Au-Ferris	Vice President, Finance

### Committees

The Company has established the following committees: Underwriting and Binding Committee, Compliance Committee, Investment Committee, Reserving Committee, Claims Committee and Audit Committee.

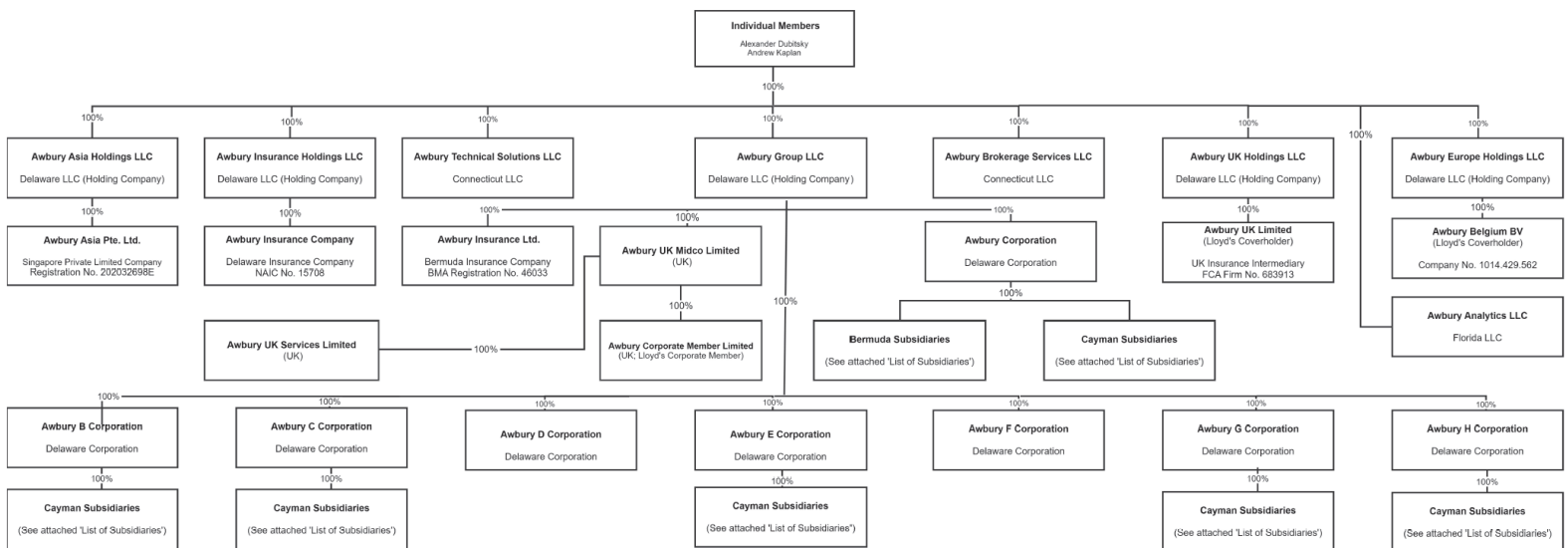
The Audit Committee, headed by the Chairman of the Board, is appointed by the Board of the Company to oversee (1) the integrity of the Company's financial statements, (2) the independent auditor's qualification and independence, (3) the performance of the Company's internal audit function and independent auditors and (4) the Company's accounting and financial reporting processes.

Corporate Records

The recorded minutes of the shareholders and Board were reviewed for the period under examination. The recorded minutes of the Board adequately documented its meetings and approval of Company transactions and events including the approval of investment transactions in accordance with 18 *Del. C.* §1304. In addition, a review of Company files indicated that written correspondence was submitted to the Department with regards to any changes in officers and directors during the period under examination in compliance with 18 *Del. C.* §4919.

Insurance Holding Company System

The Company is a member of an insurance holding company system as defined under 18 *Del. C.* §5001(7) of the Delaware Insurance Code. The Company is a wholly-owned subsidiary of Awbury Insurance Holdings, LCC.



The examiner has reviewed the Company's most recently filed Form B Insurance Holding Company Registration Statement. Based on that review, it appears that the Company has disclosed all intercompany arrangements and in turn has filed the applicable information/agreements with the Department.

## Agreements with Affiliates

### *Service Agreements*

As of February 25, 2015 and August 29, 2023, respectively, the Company has entered into service agreements with its affiliates, Awbury Technical Solutions and Awbury Analytics LLC. Under these agreements, AIC receives a comprehensive suite of services, including product management, technical underwriting, reinsurance support, strategic and operational oversight, legal and compliance functions, valuation, financial and tax services, human resources, audit, communications, administrative support, information technology and records management.

A Form D was submitted to the Department on September 30, 2024, providing notice of a loan agreement between the Company and Awbury UK Midco Limited (Midco). Pursuant to the agreement, the Lender, AIC, committed to extend a loan to the Borrower, Midco, in an amount up to \$8,000,000, inclusive of any interest capitalized to principal in accordance with the terms of the agreement.

## **TERRITORY AND PLAN OF OPERATION**

### Territory

The Company is licensed and authorized on an admitted basis to write insurance in Delaware. The specific lines the Company is authorized to write in the State of Delaware are Surety, Casualty, including: Liability, Credit and Miscellaneous.

### Plan of Operation

The Company has not written any business since inception. The Company anticipates focusing on the following three coverage areas: (a) surety bonds issued in support of its clients' casualty insurance products or self-insured obligations (casualty bonds), (b) credit insurance issued to banks and corporations to assist them in managing counter-party credit risks (credit insurance), (c) miscellaneous specialty products, including multi-conditional coverage related to

economic dislocation, political risks, financial risks, and excess of loss product-refund protection (miscellaneous specialty). The Company may also consider writing reinsurance on such lines of business, as well as insurance and reinsurance on other lines of business for which it is licensed (for example, liability), in a manner that is consistent with its licensure and applicable regulations.

### **REINSURANCE**

The Company is not a party to any reinsurance agreements.

### **FINANCIAL STATEMENTS**

The Company's financial statements, as reported and filed by the Company with the Department, are reflected in the following sections:

- Assets as of December 31, 2024
- Liabilities, Surplus and Other Funds as of December 31, 2024
- Summary of Operations for the year ended December 31, 2024
- Summary of Operations for the year ended December 31, 2024
- Reconciliation of Capital and Surplus for the Period from the Prior Examination December 31, 2020 to December 31, 2024

Assets  
As of December 31, 2024

	Ledger Assets	Non-admitted Assets	Net Admitted Assets	Notes
Cash, cash equivalents and short-term investments	\$ 14,230,506		\$ 14,230,506	
Investment income due and accrued	481		481	
Current federal and foreign income tax recoverable and interest thereon	39,431		39,431	
Receivables from parent, subsidiaries and affiliates	<u>7,413,420</u>	<u>5,827,820</u>	<u>1,585,600</u>	(1)
Total Assets	<u>\$ 21,683,838</u>	<u>\$ 5,827,820</u>	<u>\$ 15,856,018</u>	

- (1) Represents an unsecured note receivable from Midco of \$7,413,420. Single investments or loans in excess of 10% of total assets are designated as 'non-admitted' assets under SAP and Delaware permitted practices. In 2024, management designated \$5,827,820 of the loan to Midco as a non-admitted asset.

Liabilities, Surplus and Other Funds  
As of December 31, 2024

Commissions payable, contingent commissions and other similar charges	\$	60,206
Other expenses (excluding taxes, licenses and fees)		41,750
Payable to parent, subsidiaries and affiliates		242,365
Total Liabilities	\$	<u>344,321</u>
Common capital stock	\$	500,000
Aggregate write-ins for special surplus funds	\$	(5,827,820)
Gross paid in and contributed surplus		20,275,000
Unassigned funds (surplus)		564,517
Surplus as regards policyholders	\$	<u>15,511,697</u>
Total Liabilities and Surplus	\$	<u><u>15,856,018</u></u>

Statement of Operations  
For the Year Ended December 31, 2024

Premiums earned	\$	-
Deductions:		
Losses incurred	\$	-
Other underwriting expenses incurred		<u>561,172</u>
Total underwriting deductions	\$	<u>561,172</u>
Net underwriting gain (loss)	\$	<u>(561,172)</u>
Net investment income earned	\$	<u>845,467</u>
Net investment gain	\$	<u>845,467</u>

Reconciliation of Capital and Surplus  
For the Period from the Prior Examination  
December 31, 2020 to December 31, 2024

	Common Capital Stock	Gross Paid-in and Contributed Surplus	Unassigned Funds (Surplus)	Aggregate Write-Ins	Total
12/31/2020 (2)	\$ 500,000	\$ 20,275,000	\$ (18,170)	\$ -	\$ 20,756,830
12/31/2021 (1)			(17,475)		(17,475)
12/31/2022 (1)			193,915		193,915
12/31/2023 (1)			171,929		171,929
12/31/2024 (1)			234,318	(5,827,820)	(5,593,502)
	<u>\$ 500,000</u>	<u>\$ 20,275,000</u>	<u>\$ 564,517</u>	<u>\$(5,827,820)</u>	<u>\$ 15,511,697</u>

- (1) Represents net income, change in unrealized capital gains/(losses), change in net unrealized foreign exchange capital gain, change in net deferred income tax, change in non-admitted assets, change in provision for reinsurance, aggregate write-ins for gains and losses in surplus.
- (2) Capital contributions

**ANALYSIS OF CHANGES IN THE FINANCIAL STATEMENTS RESULTING FROM EXAMINATION**

There were no financial adjustments to the Company's financial statements as a result of this examination.

**COMMENTS ON FINANCIAL STATEMENT ITEMS**

There were no comments on the Company's financial statements as a result of this examination.

**SUBSEQUENT EVENTS**

There are no subsequent events noted as a result of this examination.

**COMPLIANCE WITH PRIOR EXAMINATION RECOMMENDATIONS**

There were no recommendations contained in the prior Examination Report.

**SUMMARY OF RECOMMENDATIONS**

There were no recommendations noted as result of this examination.

The assistance and cooperation from the Company's outside audit firm, Grant Thornton and the Company's management and staff were appreciated and are acknowledged.

Respectfully submitted,



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Madison Browne, AFE  
Examiner-In-Charge  
State of Delaware



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Albert M. Piccoli, Sr., CFE, ACI  
Supervising Examiner  
State of Delaware

I, Madison Browne, AFE, hereby verify and attest, under penalty of perjury, that the above is a true and correct copy of the examination report and findings submitted to the Delaware Department of Insurance pursuant to Examination Certification No. 25.006

*Madison Browne*

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Madison Browne, AFE  
Examiner-In-Charge  
Delaware Department of Insurance