COMMONWEALTH OF MASSACHUSETTS

OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

DIVISION OF INSURANCE

REPORT OF EXAMINATION OF THE

NEW ENGLAND MUTUAL INSURANCE COMPANY

Quincy, Massachusetts

As of December 31, 2024

NAIC GROUP CODE 1275

NAIC COMPANY CODE 12725

EMPLOYER ID NUMBER 04-1028440

NEW ENGLAND MUTUAL INSURANCE COMPANY

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COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE
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May 29, 2026

The Honorable Michael T. Caljouw
Commissioner of Insurance
Commonwealth of Massachusetts
Division of Insurance
One Federal Street
7th Floor, Suite 700
Boston, MA 02110-0212

Honorable Commissioner:

Pursuant to your instructions and in accordance with Massachusetts General Laws, Chapter 175, Section 4, and other applicable statutes, an examination has been made of the financial condition and affairs of

NEW ENGLAND MUTUAL INSURANCE COMPANY

at its home office located at 57 Washington Street, Quincy, Massachusetts 02169. The following report thereon is respectfully submitted.

SCOPE OF EXAMINATION

New England Mutual Insurance Company ("Company" or “NEMIC”) was last examined as of December 31, 2019 by the Commonwealth of Massachusetts Division of Insurance (“Division”). The current multi-state Coordinated Group Examination was also conducted by the Division and covers the five-year period from 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 this examination.

Concurrent with this examination, the following insurance affiliate in the Quincy Mutual Group (“Group”) was also examined and separate Report of Examination has been issued:

Quincy Mutual Fire Insurance Company

The examination was conducted in accordance with standards and procedures established by the National Association of Insurance Commissioners (“NAIC”) Financial Condition (E) Committee and prescribed by the current NAIC Financial Condition Examiners Handbook (“Handbook”), the examination standards of the Division and with Massachusetts General Laws. The Handbook requires that we plan and perform the examination to evaluate the financial condition and identify current and prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company’s financial statements.

This examination report includes significant findings of fact, as mentioned in the Massachusetts General Laws, Chapter 175, Section 4, and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

The Company is audited annually by PricewaterhouseCoopers LLP, an independent certified public accounting firm. The firm expressed unqualified opinions on the Company’s financial statements for calendar years 2020 through 2024. A review and use of the Certified Public Accountants’ work papers was made to the extent deemed appropriate and effective.

Representatives from the firm of Risk & Regulatory Consulting, LLC (“RRC”) were retained by the Division to assist in the examination by performing certain examination procedures at the direction of and under the overall management of the Division’s examination staff. The assistance included a review of accounting records, information systems and information technology general controls (“ITGC’s”), investments and actuarially determined loss and loss adjustment expense reserves, as well as other significant actuarial estimates of the Company as of December 31, 2024.

This coordinated group financial examination of three licensed domestics was conducted in compliance with the Coordination of Holding Company Group Exams framework of the Handbook. The following participating states coordinated with the Division to conduct its examination:

Maine Bureau of Insurance (1 licensed domestic)

SUMMARY OF SIGNIFICANT FINDINGS OF FACT

There were no significant findings during the previous examination and there are no significant findings related to the current examination.

COMPANY HISTORY

The Company originally had been chartered on March 30, 1887, as American Mutual Liability Insurance Company ("AMLIC") by an Act of the Massachusetts Legislature. Subsequently, AMLIC had been ordered liquidated effective March 9, 1989, by the Supreme Judicial Court of Massachusetts ("Court"). By an order and injunction ("Order") of the Court entered on August 11, 2006, the Company was restructured and all of the Company's prior and existing liabilities and obligations were released and discharged to a trust. The Court also thereby approved a change of name of the Company to New England Mutual Insurance Company, and authorized to transfer control of the corporate shell of the Company to Quincy Mutual Fire Insurance Company, ("QMFIC"), clear of any of the Company's liabilities existing immediately prior to such transfer. The transaction between the Commissioner and QMFIC was closed effective October 1, 2006; as of that date QMFIC acquired control of the Company pursuant to the Order and QMFIC re-capitalized the Company with a $20 million investment in the guaranty capital shares issued by the Company. The Company thereby became an affiliate of QMFIC and a member of the Quincy Mutual Group.

On October 14, 2011, pursuant to written approval from the Massachusetts Commissioner of Insurance, QMFIC purchased an additional $20 Million in guaranty capital shares from the Company as was authorized by the Company's members at a duly noticed and convened Special Meeting of Members held on July 28, 2011. On November 14, 2014, pursuant to written approval from the Massachusetts Commissioner of Insurance, QMFIC purchased an additional $5 Million in guaranty capital shares from the Company as was authorized by the Company's members at a duly noticed and convened Special Meeting of Members held on September 29, 2014.

Capital Stock

The Company has authorized and outstanding 450,000 shares of common capital stock with a par value of $100.00 per share as of December 31, 2024. All of the outstanding capital stock of the Company is owned by QMFIC.

Dividends to Stockholders

The following table illustrates ordinary dividends paid by the Company to its parent, QMFIC, during the period covered by this examination:

Stockholder Dividend	
2024	$ 3,150,000
2023	0
2022	0
2021	0
2020	0
Total	**$ 3,150,000**

Dividends to Policyholders

During the exam period, the Company did not pay dividends to its policyholders.

MANAGEMENT AND CONTROL

Board of Directors Minutes

The minutes of meetings of the Board of Directors ("Board") of the Company and the Committees of QMFIC, who act on behalf of the Company, were read and they indicated that all meetings were held in accordance with the Company's bylaws and the Laws of the Commonwealth of Massachusetts. Activities of the Committees of QMFIC were ratified at the meetings of the Board.

Articles of Organization and Bylaws

The Company's Articles of Organization (Articles") and bylaws were reviewed and there were no amendments to the Articles or bylaws during the examination period.

Annual Meeting of the Company

In accordance with the bylaws, the annual meeting of the Company is held on the first Wednesday of February in each calendar year. Minutes of annual meeting were reviewed for the period covered by this examination and all meetings were held in accordance with the Company's bylaws.

Board of Directors

According to the bylaws, the Company's business shall be managed by a Board which may exercise all of the powers of the Company, except as otherwise provided by the Articles or bylaws. The Board shall consist of not less than seven nor more than sixteen Directors.

At December 31, 2024, the Company's Board was comprised of seven Directors, five of whom are independent, as follows:

Name	Title
Steven H. Briggs	Real Estate Advisor QMFIC
James J. Moran	Retired Executive Vice President, Secretary and General Counsel QMFIC
Katherine A. Hesse	Senior Partner, Murphy, Hesse, Toomey & Lehane, LLP
Alexander G. Clark	Retired President & Chief Executive Officer, The Vulcan Company, Inc.
Daniel R. DeMarco	Partner, Campanelli Companies
Katherine B. Coster	Board Chair Gorham Savings Bank
Craig P. Russ	Retired Vice President & Managing Director Eaton Vance Management

*Susannah M. Swihart, Retired Vice Chairman & Chief Financial Officer, BankBoston became a new member of the Board.

Officers

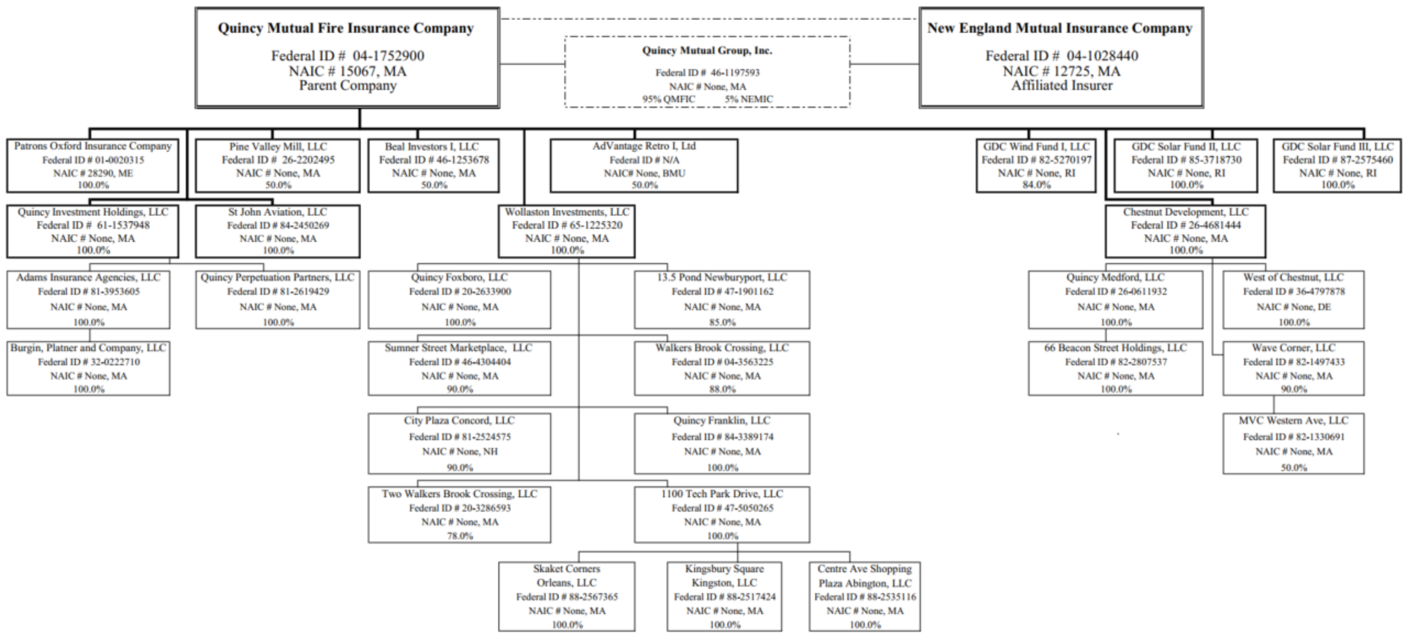
According to the Company's bylaws, the President shall be the chief executive officer, unless the Chairman of the Board has been designated for such office by vote of the Board, and shall exercise all duties of a chief executive officer and be in overall charge of the business and financial affairs of the Company. The President may delegate some or all of these duties to the Vice Presidents or other Officers, as he/she deems appropriate to the conduct of the business of the Company. The officers of the Company as of December 31, 2024 were as follows:

Officer	Title
Karl D. Briggs	Executive Chairman
Thomas A. Harris	President & Chief Executive Officer
Joseph B. White	Senior Vice President, Secretary & General Counsel
Lisa Marie Schooley*	Vice President, Finance & Treasurer
Brian T. Hayes	Senior Vice President & Chief Underwriting Officer
Todd W. Lehmann	Vice President & Chief Actuary
Mark A. Giuliani**	Vice President
Ann F. Lamson	Vice President
Gregory D. Stipkovich	Vice President

* Lisa Schooley retired during the first quarter of 2025, and Michael E. Siedlecki was appointed as an Officer.
** Mark A. Giuliani retired during the fourth quarter of 2025, and Shashi Ayachitam was appointed as an Officer.

Organizational Chart

The following is an organizational chart as of December 31, 2024 depicting the Company's relationships:



Affiliated Companies

As stated in the Insurance Holding Company System Form B and Form C as filed with the Division, the Company is a member of a holding company system and is subject to the registration requirements of Massachusetts General Laws, Chapter 175, Section 206C and Regulation 211 CMR 7.00. QMFIC is the ultimate controlling party of the group consisting of thirty-three entities, including three insurance and thirty non-insurance entities.

Transactions and Agreements with Subsidiaries and Affiliates

Administration and Management Services Agreements

QMFIC provides certain accounting, management and other services to the Company and its affiliate, Patrons Oxford Insurance Company ("POIC"). In consideration of such services, the Company and POIC agreed to pay the costs and expenses of such services.

Management Services Agreement

Effective January 1, 2013, the Company, along with its affiliate QMFIC, entered into a management services agreement with its newly-formed non-insurance subsidiary, Quincy Mutual Group, Inc. All of QMFIC's former employees now reside at Quincy Mutual Group, Inc. and perform services for the affiliates with the costs and expenses being reimbursed by the entities.

TERRITORY AND PLAN OF OPERATION

The Company currently is licensed to conduct business in Massachusetts and Connecticut. The Company uses independent agents to sell homeowners multi-peril policies.

Treatment of Policyholders – Market Conduct

During the course of the examination, a general review was made of the manner in which the Company conducts its business practices and fulfills its contractual obligations to member and claimants. This review was limited in nature and was substantially narrower than a full scope market conduct examination. During the claims test work, no issues were noted in the Company's investigation and settlement of claims.

REINSURANCE

Assumed Reinsurance

The Company does not have assumed reinsurance.

Ceded Reinsurance

NEMIC entered into a Quota Share Reinsurance Contract effective July 1, 2015, whereby QMFIC provides 100% protection to NEMIC subject to a 200% loss ratio cap.

FINANCIAL STATEMENTS

The following financial exhibits are based on the statutory financial statements prepared by management and filed by the Company with the Division and present the financial condition of the Company for the period ending December 31, 2024. The financial statements are the responsibility of Company management.

Statement of Assets, Liabilities, Surplus and Other Funds as of December 31, 2024

Statement of Income for the Year Ended December 31, 2024

Reconciliation of Capital and Surplus for Each Year in the Five-Year Period Ended December 31, 2024

New England Mutual Insurance Company

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

ADMITTED ASSETS	Per Annual Statement
Bonds	$ 44,145,615
Cash, cash equivalents and short-term investments	1,255,525
Other invested assets	503,145
Subtotals, cash and invested assets	45,904,286
Investment income due and accrued	314,247
Premiums and considerations:	
Uncollected premiums and agents' balances	86,280
Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,157,739
Reinsurance:	
Amounts recoverable from reinsurers	1,582,116
Current federal and foreign income tax recoverable and interest thereon	1,774
Net deferred tax asset	188,724
Receivables from parent, subsidiaries and affiliates	25,875
Aggregate write-ins for other than invested assets	1,147
TOTAL ADMITTED ASSETS	**$ 49,262,188**
LIABILITIES	
Losses	$ 0
Reinsurance payable on paid losses and loss adjustment expenses	0
Loss adjustment expenses	0
Commissions payable, contingent commissions and other similar charges	194,448
Other expenses (excluding taxes, licenses and fees)	73,191
Taxes, licenses and fees (excluding federal and foreign income taxes)	(14,581)
Advance premium	162,578
Ceded reinsurance premiums payable (net of ceding commissions)	1,589,787
Amounts withheld or retained by company for account of others	1,460,994
Total Liabilities	3,466,417
Aggregate write-ins for other-than-special surplus funds	45,000,000
Unassigned funds (surplus)	795,771
Surplus as regards policyholders	45,795,771
TOTAL LIABILITIES, SURPLUS AND OTHER FUNDS	**$ 49,262,188**

New England Mutual Insurance Company

Statement of Income
For the Year Ended December 31, 2024

	Per Annual Statement
Underwriting Income	
Premiums earned	$ 0
Deductions	
Losses incurred	0
Loss adjustment expenses incurred	0
Other underwriting expenses incurred	0
Total underwriting deductions	0
Net underwriting gain	0
Investment Income	
Net investment income earned	1,500,871
Net realized capital gains, less capital gains tax	3,510
Net investment gain	1,504,381
Other Income	
Net gain (loss) from agents' or premium balances charged off	(2,090)
Finance and service charges not included in premiums	34,810
Total other income	32,720
Net income before dividends to policyholders and before all other federal and foreign income taxes	1,537,101
Dividends to policyholders	0
Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	1,537,101
Federal and foreign income taxes incurred	334,933
Net Income	**$ 1,202,168**

New England Mutual Insurance Company

Reconciliation of Capital and Surplus
For Each Year in the Five-Year Period Ended December 31, 2024

	2024	2023	2022	2021	2020
Surplus as regards policyholders, December 31 prior year	$47,738,648	$46,389,011	$46,058,481	$45,182,940	$44,125,256
Net income	1,202,168	1,207,432	379,497	1,089,437	1,299,447
Change in net unrealized capital gains or (losses)	(9,735)	22,545	(36,278)	504	1,190
Change in net deferred income tax	12,464	(40,886)	134,240	(191,957)	(257,291)
Change in nonadmitted assets	2,225	160,547	(146,929)	(22,443)	6,560
Change in provision for reinsurance	0	0	0	0	7,778
Dividends to stockholders	(3,150,000)	0	0	0	0
Net change in capital and surplus for the year	(1,942,878)	1,349,637	330,530	875,542	1,057,684
Surplus as regards policyholders, December 31 current year	$45,795,771	$47,738,648	$46,389,011	$46,058,481	$45,182,940

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE EXAMINATION

There have been no changes made to the financial statements as a result of the examination.

COMMENTS ON FINANCIAL STATEMENT ITEMS

As a result of the examination, no issues with non-compliance, adverse findings, or material changes to the financial statements were identified.

The Company has no reported loss and loss adjustment expense reserves as of December 31, 2024 as a result of the 100% Quota Share Reinsurance Contract with QMFIC.

SUBSEQUENT EVENTS

Current Executive Chairman, Karl D. Briggs, and current President & Chief Executive Officer, Thomas Harris, announced their expected retirement from their current roles at the Company effective no later than February 2027. Mr. Briggs will continue to be Chairman of the Board of Directors and Mr. Harris will continue as a Board Member.

SUMMARY OF RECOMMENDATIONS

There were no significant recommendations noted by the examination team for improvements in processes, activities and/or controls that should be noted in this report.

SIGNATURE PAGE

Acknowledgement is made of the cooperation and courtesies extended by the officers and employees of the Company during the examination.

The assistance rendered by Risk & Regulatory Consulting, LLC and the following Division examiner who participated in this examination hereby is acknowledged:

Guangping Wei, CFE, Examiner III

Robert G. Dynan

____

Robert G. Dynan, CFE
Supervising Examiner
Commonwealth of Massachusetts
Division of Insurance