



**EXAMINATION REPORT  
OF  
TRANS-OCEANIC LIFE INSURANCE COMPANY OF AMERICA**

**NAIC Company Code: 16715**

**Orlando, Florida  
as of  
December 31, 2023**

**BY THE  
FLORIDA  
OFFICE OF INSURANCE REGULATION**

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April 11, 2025

Michael Yaworsky  
Insurance Commissioner  
Office of Insurance Regulation  
State of Florida  
Tallahassee, Florida 32399-0326

Dear Commissioner:

Pursuant to your instructions, in compliance with section 624.316, Florida Statutes, Rule 69O-138.005, Florida Administrative Code, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners (“the NAIC”), we have conducted an examination as of December 31, 2023, of the financial condition and corporate affairs of

**Trans-Oceanic Life Insurance Company of America**

8240 Exchange Drive, Suites Cloud 1, 2, & 3  
Orlando, Florida 32809

hereinafter referred to as “the Company.” Such report of examination is herewith respectfully submitted.

## SCOPE OF EXAMINATION

This examination covered the period of January 1, 2023 through December 31, 2023 and the fieldwork commenced with planning with the Florida Office of Insurance Regulation (“OIR”) on October 21, 2024. The fieldwork concluded as of April 11, 2025. The Company’s last full scope exam by representatives of OIR covered the period of January 1, 2022, through December 31, 2022.

The examination was a single state examination conducted in accordance with the NAIC Financial Condition Examiners Handbook (“the Handbook”). The Handbook requires that the examination be planned and performed 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 the NAIC Statements of Statutory Accounting Principles (“SSAP”). 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 information obtained from the examination of the records, accounts, files and documents of or relative to the Company and other information as permitted by section 624.319, Florida Statutes. There may be other items identified during the examination that, due to their nature (for example, subjective conclusions or proprietary information), are not included within the examination report but separately communicated to other regulators and/or the Company.

## SUMMARY OF SIGNIFICANT FINDINGS

### Current Examination Findings

There were no significant findings as a result of this examination.

### Previous Examination Findings

There were no significant findings of fact for the prior examination as of December 31, 2022.

## COMPANY HISTORY

### General

The Company was incorporated in Florida on November 14, 2019 and commenced business on January 16, 2020. The Company was licensed by the OIR as a Life and Health insurer, in accordance with section 624.401, Florida Statutes. The Company is a wholly owned subsidiary of Trans-Oceanic Life Insurance Company ("TOLIC").

### Dividends

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

### Capital Stock and Capital Contributions

As of December 31, 2023, the Company's capitalization was as follows:

Number of authorized common capital shares	1,000,000
Number of shares issued and outstanding	1,000,000
Total common capital stock	\$1,000,000
Par value per share	\$1.00

### Surplus Notes

The Company did not have or issue any surplus notes during the period under examination.

## Acquisitions, Mergers, Disposals, Dissolutions

The Company had no acquisitions, mergers, disposals, or dissolutions during the period under examination.

## MANAGEMENT AND CONTROL

### Corporate Governance

The annual shareholder meeting for the election of Directors was held in accordance with section 628.231, Florida Statutes. Directors serving as of December 31, 2023, are shown below:

<b>Directors</b>		
<b>Name</b>	<b>City, State</b>	<b>Principal Occupation, Company Name</b>
Nicolas A. Touma Correa, Chair	San Juan, Puerto Rico	Chairman, Trans-Oceanic Group, Inc.
Fernando J. Nido Colon	San Juan, Puerto Rico	Retired Certified Public Accountant
Mickey Carrero Ramos	Davie, Florida	Chief Revenue Officer, Ricoh Latin America
Juan Jose Roman	Guaynabo, Puerto Rico	Retired Certified Public Accountant
Christian Touma Taveras	Guaynabo, Puerto Rico	Vice President of Sales and Marketing, Trans-Oceanic Life Insurance Company of America
Edrick J. Touma Taveras	San Juan, Puerto Rico	President, Trans-Oceanic Life Insurance Company
Humberto Tapia Taveras	Orlando, Florida	Executive Vice President, Trans-Oceanic Life Insurance Company of America

In accordance with the Company's bylaws, the Board of Directors ("Board") appointed the following Senior Officers:

<b>Senior Officers</b>		
<b>Name</b>	<b>City, State</b>	<b>Title</b>
Edrick J. Touma Taveras	San Juan, Puerto Rico	President
Fernando J. Nido Colon	San Juan, Puerto Rico	Treasurer
Pedro Gonzalez Cerrud (a)	Caguas, Puerto Rico	Vice President Finance
Luz A. Rodriguez Padilla	San Juan, Puerto Rico	Controller
Javier F. Ortiz Rodriguez	San Juan, Puerto Rico	Vice President Operations

(a) Resigned on February 28, 2024, and his role is being filled by the President, Edrick J. Touma Taveras, who is a Certified Public Accountant.

The Company maintained an Audit Committee, as required by section 624.424(8)(c), Florida Statutes, and several internal committees. The following were the principal Board committees and their members as of December 31, 2023.

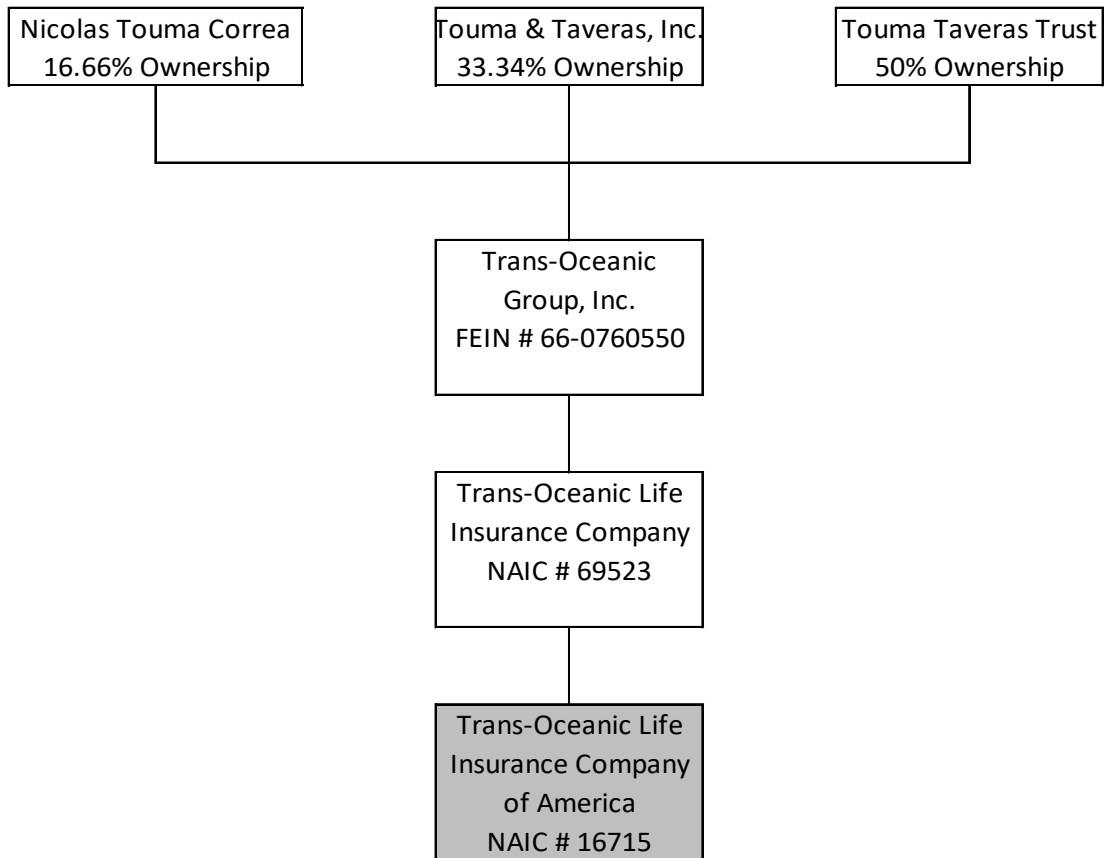
<b>Audit Committee</b>		
<b>Name</b>	<b>City, State</b>	<b>Title, Company Name</b>
Fernando J. Nido Colon, Chairman	San Juan, Puerto Rico	Retired Certified Public Accountant
Mickey Carrero Ramos	Davie, Florida	Chief Revenue Officer, Ricoh Latin America
Juan Jose Roman	Guaynabo, Puerto Rico	Retired Certified Public Accountant

<b>Investment Committee</b>		
<b>Name</b>	<b>City, State</b>	<b>Title, Company Name</b>
Mickey Carrero Ramos	Davie, Florida	Chief Revenue Officer, Ricoh Latin America
Edrick J. Touma Taveras	San Juan, Puerto Rico	President, Trans-Oceanic Life Insurance Company
Humberto Tapia Taveras	Orlando, Florida	Executive Vice President, Trans-Oceanic Life Insurance Company of America
Juan Jose Roman, Chairman	Guaynabo, Puerto Rico	Retired Certified Public Accountant

<b>Enterprise Risk Management Committee</b>		
<b>Name</b>	<b>City, State</b>	<b>Title, Company Name</b>
Fernando J. Nido Colon	San Juan, Puerto Rico	Retired Certified Public Accountant
Nicolas A. Touma Correa	San Juan, Puerto Rico	Chairman, Trans-Oceanic Group, Inc.
Juan Jose Roman	Guaynabo, Puerto Rico	Retired Certified Public Accountant
Edrick J. Touma Taveras	San Juan, Puerto Rico	President, Trans-Oceanic Life Insurance Company

**Holding Company System**

A simplified organizational chart as of December 31, 2023, reflecting the holding company system, is shown on the following page. Schedule Y of the Company’s 2023 annual statement provided a list of all related companies of the holding company group.



The following agreement was in effect between the Company and its affiliate:

### **Shared Cost Services Agreement**

The Company entered into a Shared Cost Services Agreement with TOLIC, effective December 12, 2019. Under the agreement, TOLIC will provide certain support services including accounting, information technology, tax, legal, and other services to be agreed upon in writing by the parties. The allocated cost, which includes a five (5) percent markup, is reviewed quarterly for accuracy. During 2023, the total paid by the Company under the agreement was \$141,728.

## **ACCOUNTS AND RECORDS**

The Company maintained its principal operational offices in Orlando, Florida.

### **Custodial Agreement**

The Company entered into a custodial agreement with Fifth Third Bank, National Association on May 15, 2023.

### **Managing General Agent Agreement**

The Company utilizes various non-affiliated Managing General Agents (“MGAs”) to produce insurance business. The MGAs were responsible for quoting policies to customers, claims administration, billing, and collecting premiums on behalf of the insurer. The Company retained the right for binding authority and ensures all policies meet Company underwriting guidelines.

### **Independent Auditor Agreement**

An independent auditor, Kevane Grant Thornton, LLP, of San Juan, Puerto Rico, audited the Company’s statutory basis financial statements for 2023, in accordance with section 624.424(8), Florida Statutes. Supporting work papers were prepared by the CPA firm as required by Rule 69O-137.002, Florida Administrative Code.

### **Corporate Records Review**

The recorded minutes of the Shareholders, Board, Audit Committee, Investment Committee, and the Enterprise Risk Management Committee were reviewed for the period under examination. The recorded minutes documented its meetings and approval of Company transactions and events, in compliance with the Handbook adopted by Rule 69O-138.001, Florida Administrative Code.

## **TERRITORY AND PLAN OF OPERATIONS**

The Company was authorized to transact insurance solely in the state of Florida on January 16, 2020.

## **REINSURANCE**

The reinsurance agreement reviewed complied with NAIC standards with respect to the standard insolvency clause, arbitration clause, intermediary clause, and reporting and settlement information deadlines.

### **Reinsurance Assumed**

The Company did not assume any reinsurance during the period of this examination.

### **Reinsurance Ceded**

Effective December 12, 2019, the Company entered into a one hundred (100) percent quota share reinsurance agreement with TOLIC. Under the agreement, the Company agreed to cede on a one hundred (100) percent quota share basis all of its Accident & Sickness, Accident Only, and Cancer Insurance products. The Company receives a ceding commission of fifteen and a half (15.5) percent of the gross premium (net of return premiums) charged to insureds. The Company also receives an administrative allowance equal to five (5) percent of the gross premiums (net of return premiums) for marketing, handling, processing, billing, collection, and claims activities. The agreement was amended in 2022, retroactive to the inception date of the agreement, to have TOLIC reimburse the Company for all commissions to agents and adjustments resulting from advances and repayment of commissions, cancellation of policies, endorsements, and return premiums. The revised agreement was approved by the OIR on June 3, 2022. The Company ceded accident and health premium of \$3,399,595, and benefits of \$311,655 to TOLIC in 2023.

## **FINANCIAL STATEMENTS**

The following includes the Company's statutory Statement of Assets, Liabilities, Surplus and Other Funds and statutory Summary of Operations, which includes an analysis of changes in the Capital and Surplus Account for the year ended December 31, 2023. The financial statements are based on the statutory financial statements filed by the Company with the Florida Office of Insurance Regulation and present the financial condition of the Company for the period ending December 31, 2023. Due to rounding, column amounts may not add to the totals reflected in this Report. There were no examination adjustments to the amounts reported by the Company.

**Trans-Oceanic Life Insurance Company of America**  
**Assets**  
**December 31, 2023**

	Per Company
Bonds	2,035,595
Stocks	
Common	118,037
Cash and cash equivalents and short-term investments	1,455,218
Subtotals, cash and invested assets	3,608,850
Investment income due and accrued	9,414
Reinsurance:	
Amounts recoverable from reinsurers	27,284
Other amounts receivable	276,840
Electronic data processing equipment and software	881
Receivables from parent, subsidiaries and affiliates	549
<b>Total</b>	<b>3,923,818</b>

**Trans-Oceanic Life Insurance Company of America**  
**Liabilities, Surplus and Other Funds**  
**December 31, 2023**

	Per Company
General expenses due or accrued	133,645
Taxes, licenses and fees due or accrued	25,231
Miscellaneous liabilities:	
Asset valuation reserve	19,219
Payable to parent	465
Aggregate write-ins for liabilities	342,422
<b>Total liabilities</b>	<b>520,982</b>
Common capital stock	1,000,000
Gross paid-in and contributed surplus	6,350,000
Unassigned funds (surplus)	(3,947,164)
<b>Total capital and surplus</b>	<b>3,402,836</b>
<b>Total liabilities, surplus and other funds</b>	<b>3,923,818</b>

**Trans-Oceanic Life Insurance Company of America**  
**Summary of Operations**  
**December 31, 2023**

	Per Company
<b>Income</b>	
Net investment income	63,025
Amortization of Interest Maintenance Reserve	(11,876)
Commissions and expense allowances on reinsurance ceded	2,428,035
Aggregate write-ins for miscellaneous income	3,133
<b>Totals</b>	<b>2,482,317</b>
<b>Deductions</b>	
Commissions on premiums, annuity considerations and deposit-type contract funds	1,721,555
General insurance expenses	1,175,376
Insurance taxes, licenses and fees	152,992
<b>Totals</b>	<b>3,049,923</b>
Net loss from operations	(567,606)
Net realized capital losses	(65,232)
<b>Net loss</b>	<b>(632,838)</b>

### Summary of Operations (Continued)

	Per Company
<b>Capital and Surplus Account</b>	
Capital and surplus, prior reporting year	3,939,789
Net loss	(632,838)
Change in net unrealized capital gains (losses) less capital gains tax	91,736
Change in nonadmitted assets	23,368
Change in asset valuation reserve	(19,219)
Net change in capital and surplus	(536,953)
Capital and surplus, end of reporting year	3,402,836

**Trans-Oceanic Life Insurance Company of America**  
**Reconciliation of Capital and Surplus**  
**December 31, 2023**

No adjustments were made to surplus as regards policyholders as a result of this examination.

<b>Capital/Surplus Change during Examination Period</b>			
Capital and Surplus at December 31, 2022, per Examination			3,939,789
	Increase	Decrease	
Change in surplus		632,838	
Change in net unrealized capital gain	91,736		
Change in nonadmitted assets	23,368		
Change in asset valuation reserve		19,219	
Net increase (or decrease)			(536,953)
Capital and Surplus at December 31, 2023, per Examination			<u>3,402,836</u>

## **COMMENTS ON FINANCIAL STATEMENT ITEMS**

### **Liabilities**

#### **Losses and Loss Adjustment Expenses**

Gary D. Lake, FSA, MAAA, Consulting Actuary with Lake Consulting, Inc., appointed by the Board, rendered an opinion that the amounts carried in the balance sheet as of December 31, 2023, made a reasonable provision for all unpaid loss and loss expense obligations of the Company under the terms of its policies and agreements.

The OIR consulting actuaries, Edward F. McKernan, FSA, MAAA and J. Michael Crooks, FSA, MAAA, reviewed the loss and loss adjustment expense work papers provided by the Company and they were in concurrence with this opinion.

#### **Capital and Surplus**

The amount of capital and surplus reported by the Company of \$3,402,836, exceeded the minimum of \$1,500,000 required by section 624.408, Florida Statutes.

## **SUBSEQUENT EVENTS**

Effective January 1, 2025, the 20.5% expense allowance allowed under the one hundred (100) percent quota share reinsurance agreement with TOLIC has been increased to 25.0%.

## CONCLUSION

The insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of Trans-Oceanic Life Insurance Company of America as of December 31, 2023, consistent with the insurance laws of the State of Florida.

The following individuals with the firm of EWM Group, PC participated in the examination: Philip Engelhart, CPA, AIAF, CFE, Supervising Examiner; Thomas Mayberry, CPA, CFE, Examiner-in-Charge; Paul Sliwinski, CPA, AIAF, CFE; Chris Davis, CPA, CFE, and Koye Arulogun, CPA, CFE (Fraud) Participating Examiners. Members of the OIR who participated in the examination include Margaret McCrary, CFE, CPA, MBA, Chief Financial Examiner. Additionally, Edward F. McKernan, FSA, MAAA and J. Michael Crooks, FSA, MAAA of Capstan Actuarial Solutions, LLC and Jenny Jeffers, AES, CISA, CFE (Fraud), IT Specialist of Jennan Enterprises, LLC, are recognized for participation in the examination.

Respectfully submitted,



Philip D. Engelhart, CFE  
Examiner-in-Charge  
EWM Group, PC



Carolyn M. Morgan, Director  
Life & Health Financial Oversight  
Florida Office of Insurance Regulation  
Date Signed: 6/30/25