

Board of Minerals and Environment

523 East Capitol Avenue
Pierre, South Dakota 57501-3182
(605)773-3151

Live audio of the meeting is available at <http://www.sd.net>

AGENDA

Board of Minerals and Environment
Telephone Conference Meeting
523 East Capitol Avenue
Pierre, South Dakota

January 18, 2024

10:00 a.m. Central Time

Call to order and roll call

Approval of minutes from November 16, 2023, meeting

Mining Issues Consent Calendar – Tom Cline

Transfer of Small Scale Mine Permit 417 from Fred and Andrew Krejci to Shirley and Andrew Krejci – Eric Holm

Acceptance of Financial Assurance bond for Wharf Resources (USA), Inc., Mine Permits 356, 434, 435, 464, 476, & 490 – Eric Holm

Legislative Update, Mining and Mineral Exploration – Mike Lees

Annual Update on South Dakota's Volkswagen Beneficiary Mitigation Plan– Barb Regynski

Public comment period in accordance with SDCL 1-25-1

Next meeting

Adjourn

The board packet is available on the South Dakota Boards and Commissions Portal at <https://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=67>

Interested parties may participate via telephone or in the DANR Large Conference Room, 523 East Capitol Avenue, Pierre, SD. To participate via telephone please contact DANR at (605) 773-3886 no later than 4:00 p.m. Central Time on Wednesday, January 17, 2024.

Notice is given to individuals with disabilities that the meeting is being held in a physically accessible location. Individuals requiring assistive technology or other services in order to participate in the meeting or materials in an alternate format should contact Brian Walsh, Nondiscrimination Coordinator, by calling (605) 773-5559 or by email at Brian.Walsh@state.sd.us as soon as possible but no later than two business days prior to the meeting in order to ensure accommodations are available.

The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=67>

Minutes of the
Board of Minerals and Environment
Telephone Conference Call Meeting
523 East Capitol Avenue
Pierre, South Dakota

November 16, 2023
10:00 a.m. Central Time

CALL TO ORDER: The meeting was called to order by Vice Chairman Glenn Blumhardt. The roll was called, and a quorum was present.

The meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

BOARD MEMBERS PRESENT: Laurie Schultz and Bob Ewing participated in-person. Glenn Blumhardt, Gregg Greenfield, Gary Haag, Doyle Karpen, Bob Morris and Jessica Peterson participated via conference call.

BOARD MEMBERS ABSENT: Rex Hagg.

OTHERS PRESENT: Mike Lees, Roberta Hudson, Eric Holm, Tom Cline and Bret Graves, DANR Minerals, Mining, and Superfund Program; Mark Tieszen and Jeff Burich, Homestake Mining Company; Max Main, attorney for Homestake Mining Company.

APPROVAL OF MINUTES FROM OCTOBER 19, 2023, MEETING: Motion by Karpen, seconded by Schultz, to approve the minutes from the October 19, 2023, Board of Minerals and Environment meeting. A roll call vote was taken, and the motion carried unanimously.

MINING ISSUES CONSENT CALENDAR: Prior to the meeting the board received a copy of the consent calendar, which is a table listing the department recommendations for releases of liability and surety, transfer of liability, and releases of liability. (See attachment)

Tom Cline, Minerals, Mining, and Superfund Program was available to answer questions. There were no questions from the board regarding the consent calendar.

Motion by Ewing, seconded by Karpen, to accept the department recommendations for releases of liability and surety, transfer of liability, and releases of liability. A roll call vote was taken, and the motion carried unanimously.

TRANSFER OF LARGE SCALE MINE PERMIT 445 FROM LAC MINERALS (USA), LLC TO HOMESTAKE MINING COMPANY: Bob Morris recused himself from participating in this matter.

Eric Holm reported that Homestake Mining Company of California has requested transfer of Large Scale Mine Permit 445 from LAC Minerals (USA), LLC. The general location of the permitted operation is approximately five miles northwest of Lead, SD.

Under SDCL 45-6B-47 any mine permit can be transferred from one operator to another with the successor operator assuming all reclamation liability.

The completed transfer application form was received on October 6, 2023. The \$100.00 transfer fee was received September 27, 2023. Replacement surety riders were received September 27, 2023, and October 18, 2023. The application was deemed complete on October 18, 2023,

The department recommendation to transfer the permit was prepared on October 20, 2023, and published in the Black Hills Pioneer on November 2 and 9, 2023. The Affidavit of Publication was received November 16, 2023. The recommendation was also posted on DANR's public notice web page.

No petitions to intervene or written comments were received.

Under SDCL 45-6B-47 the board cannot deny a mine permit transfer unless the operation is not or cannot be brought into compliance with all applicable federal, state or local laws, or the successor operator is in violation of state mining laws or mine permit conditions for any mining operation in the state. The current mine permit and Homestake Mining Company are both in compliance with all federal, state, and local laws and regulations. Homestake Mining Company also submitted a Certification of Applicant form and disclosed no violations.

The department recommended that the board approve the transfer of Large Scale Mine Permit 445 and liability from LAC Minerals (USA), LLC to Homestake Mining Company of California, accept the rider to reclamation Bond No. 09177704, Fidelity & Deposit Company of Maryland, changing the Principal from LAC Minerals (USA), LLC to Homestake Mining Company of California, and accept the rider to post closure Bond No. 09177703, Fidelity & Deposit Company of Maryland and Zurich American Insurance Company, changing the Principal from LAC Minerals (USA), LLC to Homestake Mining Company of California.

Motion by Ewing, seconded by Haag, to approve the transfer of Large Scale Mine Permit 445 and liability from LAC Minerals (USA), LLC to Homestake Mining Company of California. A roll call vote was taken, and the motion carried with Ewing, Greenfield, Haag, Karpen, Peterson, Schultz, and Blumhardt voting aye.

Motion by Ewing, seconded by Schultz, to accept the rider to reclamation Bond No. 09177704, Fidelity & Deposit Company of Maryland, changing the Principal from LAC Minerals (USA), LLC to Homestake Mining Company of California, and to accept the rider to post closure Bond No. 09177703, Fidelity & Deposit Company of Maryland and Zurich American Insurance Company, changing the Principal from LAC Minerals (USA), LLC to Homestake Mining Company of California. A roll call vote was taken, and the motion carried with Ewing, Greenfield, Haag, Karpen, Peterson, Schultz, and Blumhardt voting aye.

ACCEPTANCE OF POST CLOSURE FINANCIAL ASSURANCE FOR HOMESTAKE

MINING COMPANY'S MINE PERMIT NOS. 332 AND 456: Mr. Holm reported that during its October 19, 2023, meeting the board approved increasing Homestake Mining Company's post closure financial assurance for Permit Nos. 332 and 456 to \$80,201,732. To cover the increase, Homestake submitted a rider to Bond No. 82336310, Federal Insurance Company, increasing the post closure financial assurance amount from \$61,271,809 to \$80,201,732.

Federal Insurance Company is licensed in South Dakota and is on the US Department of Treasury list of approved surety companies. Ratings for the company from AM Best, Standard and Poor's, Moody's, and Fitch's are superior, very strong, high quality, and very high credit, respectively. Outlooks are stable except for a positive long term outlook from Moody's.

The department recommended that the board accept the rider to Bond No. 82336310, Federal Insurance Company, increasing the post closure financial assurance amount to \$80,201,732.

Motion by Karpen, seconded by Peterson, to accept the rider to Bond No. 82336310, Federal Insurance Company, increasing the post closure financial assurance amount to \$80,201,732. A roll call vote was taken, and the motion carried unanimously.

PUBLIC COMMENT PERIOD IN ACCORDANCE WITH SDCL 1-25-1: There were no comments from the public.

BOB EWING ORAL BIOGRAPHY: Mr. Ewing provided a personal biography.

NEXT MEETING: The next meeting is scheduled for January 18, 2024, and will be held via conference call.

ADJOURN: Motion by Karpen, seconded by Haag, to adjourn the meeting. A roll call vote was taken, and the motion carried unanimously.

Secretary, Board of Minerals and Environment

Date

Witness

Date

Consent Calendar
South Dakota Board of Minerals & Environment

November 16, 2023

November 16, 2023

<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Release of Liability & Surety:</u>					
Thomas Maher Pierre, SD	00-699		\$2,000	First National Bank, Pierre	Release liability and \$2,000.
		699001	S1/2 Section 18; T110N-R77W, Hughes County		
<u>Transfer of Liability:</u>					
Dawson Construction Inc. Howard, SD	83-21		\$20,000	Sun Surety Insurance Company	Transfer liability.
		21019	NE1/4 Section 28; T105N-R55W, Miner County		
Transfer to:					
Shannon Hutterian Brethren Inc. Winfred, SD	23-1130		\$2,000	Rivers Edge Bank, Howard	
Rogers Construction Inc. Sturgis, SD	15-988		\$20,000	United Fire & Casualty Company	Transfer liability.
		988007	NW1/4 Section 22; T4N-R8E, Meade County		
Transfer to:					
Meade County Highway Department Sturgis, SD	83-113		EXEMPT	N/A	

Consent Calendar
South Dakota Board of Minerals & Environment

November 16, 2023

<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Transfer of Liability:</u>					
Lyman County Highway Department Kennebec, SD	83-215		EXEMPT	NA	Transfer liability.
		215005	NW1/4 Section 10; T103N-R74W, Lyman County		
Transfer to:					
Dave Hieb Chamberlain, SD	23-1129		\$1,000	First Dakota National Bank	
Roberts County Highway Department Sisseton, SD	83-23		EXEMPT	NA	Transfer liability.
		23005	NE1/4 Section 21; T124N-R52W, Roberts County		
Transfer to:					
Fisher Sand & Gravel Company Dickinson, ND	83-54		\$20,000	Liberty Mutual Insurance Company	

Consent Calendar
South Dakota Board of Minerals & Environment

November 16, 2023

November 16, 2023

<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Release of Liability:</u>					
Fisher Sand & Gravel Company Dickinson, ND	83-54		\$20,000	Liberty Mutual Insurance Company	Release liability.
		54072	NE1/4 Section 7; T17N-R10E, Perkins County		
		54081	SE1/4 Section 14; T100N-R67W, Charles Mix County		
		54108	SE1/4 Section 29; T22N-R27E, Corson County		
DOT – Aberdeen Region Aberdeen, SD	83-10		EXEMPT	NA	Release liability.
		10007	NE1/4 Section 9; T122N-R73W, Edmunds County		
Edmunds County Highway Department Ipswich, SD	83-161		EXEMPT	NA	Release liability.
		161003	NE1/4 Section 9; T122N-R73W, Edmunds County		

Consent Calendar
South Dakota Board of Minerals & Environment

November 16, 2023

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<u>Release of Liability:</u>					
Lake County Highway Department Madison, SD	83-70		EXEMPT	NA	Release liability.
		70004	Lake County Sublots 2-3 NE1/4 Section 3; T105N-54W, Lake County		
Roberts County Highway Department Sisseton, SD	83-23		EXEMPT	NA	Release liability.
		23010	NE1/4 Section 11; T125N-R51W, Roberts County		
Walworth County Highway Department Selby, SD	83-7		EXEMPT	NA	Release liability.
		7025	SW1/4 Section 4; T121N-R77W, Walworth County		
		7027	W1/2 SE1/4 Section 10; T121N-R74W, Walworth County		

South Dakota Board of Minerals & Environment

November 16, 2023

<u>Permit Holder</u>	<u>Permit No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Transfer of Large Scale Mine Permit 445:</u>				
LAC Minerals (USA), LLC Central City, SD	445	Reclamation Bond \$61,100	Fidelity & Deposit Company of Maryland	Transfer Permit 445 and liability from LAC Minerals (USA), LLC to Homestake Mining Company of California. Accept rider to Bond No. 09177704, Fidelity & Deposit Company of Maryland, changing the Principal from LAC Minerals (USA) LLC to Homestake Mining Company of California.
		Post Closure Bond \$31,596,628	Fidelity & Deposit Company of Maryland Zurich American Insurance Company	Accept rider to Bond No. 09177703, Fidelity & Deposit Company of Maryland and Zurich American Insurance Company, changing the Principal from LAC Minerals (USA) LLC to Homestake Mining Company of California.
Transfer to: Homestake Mining Company of California Salt Lake City, UT		Sections 10, 11, 14, 15, 22, 23, 26, & 35; T5N-R2E, Lawrence County		

South Dakota Board of Minerals & Environment

November 16, 2023

<u>Permit Holder</u>	<u>Permit No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Acceptance of Post Closure Financial Assurance:</u>				
Homestake Mining Company of California Salt Lake City, UT	332 & 456	\$61,271,809	Federal Insurance Company	Accept rider to Bond No. 82336310, Federal Insurance Company, increasing the Post Closure Financial Assurance amount to \$80,201,732.

Consent Calendar

South Dakota Board of Minerals & Environment

January 18, 2024

January 18, 2024					
<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Release of Liability & Surety:</u>					
Richard Brower Hartford, SD	06-833		\$1,000	Farmers State Bank, Humboldt	Release liability and \$1,000.
		833001	NE1/4 Section 24; T103N-R52W, Minehaha County		
Robert P. Newth Newell, SD	85-288		\$9,500	United Fire & Casualty Company	Release liability and \$9,500.
		288003	E1/2 Section 21; T8N-R5E, Butte County		
<u>Transfer of Liability:</u>					
Fisher Sand & Gravel Company Dickinson, ND	83-54		\$20,000	Liberty Mutual Insurance Company	Transfer liability.
		54032	SE1/4 NE1/4 Section 16; T113N-R60W, Beadle County		
Transfer to:					
Dan L. Meyers dba Meyers Sand & Gravel Huron, SD	83-176		\$20,000	Sun Surety Insurance Company	

Consent Calendar

South Dakota Board of Minerals & Environment

January 18, 2024

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<u>Transfer of Liability:</u>					
Stromseth Construction Watertown, SD	90-414		\$20,000	Ohio Farmers Insurance Company	Transfer liability.
		414001	N1/2 SW1/4 Section 8; T117N-R53W, Codington County		
Transfer to:					
Stromseth Dirt Works LLC Watertown, SD	23-1132		\$7,000	Dacotah Bank, Watertown	
Stromseth Construction Watertown, SD	90-414		\$20,000	Ohio Farmers Insurance Company	Transfer liability.
		414012	NW1/4 Section 17; T116N-R51W, Codington County		
Transfer to:					
Ries Brothers, LLC Watertown, SD	14-976		\$1,000	First Premier Bank, Sioux Falls	

Consent Calendar

South Dakota Board of Minerals & Environment

January 18, 2024

<u>License Holder</u>	<u>License No.</u>	<u>Site No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Transfer of Liability:</u>					
Miner County Highway Department Howard, SD	83-177		EXEMPT	NA	Transfer liability.
		177025	NE1/4 Section 28; T105N-R55W, Miner County		
Transfer to:					
Shannon Hutterian Brethren Inc. Winfred, SD	23-1130		\$2,000	Rivers Edge Bank, Howard	
<u>Release of Liability:</u>					
Wesley Dean Kor White, SD	05-821		\$2,000	Richland State Bank, Bruce	Release liability.
		821002	NW1/4 Section 10; T111N-R49W, Brookings County		
Quality Sand & Gravel Brookings, SD	98-644		\$5,000	VanTol Surety Company, Inc.	Release liability.
			\$1,500	First National Bank, Brookings	
		644003	NE1/4 NE1/4 exc. H-1 & PT E & N of H-1 Section 14; T109N-R50W, Brookings County		

South Dakota Board of Minerals & Environment

January 18, 2024

<u>Permit Holder</u>	<u>Permit No.</u>	<u>Surety Amount</u>	<u>Surety Company or Bank</u>	<u>DANR Recommendation</u>
<u>Transfer of Small Scale Mine Permit 417:</u>				
Fred & Andrew Krejci Springfield, NE	417	\$2,000	First Interstate Bank, Omaha, NE	Transfer Permit 417 and liability from Fred & Andrew Krejci to Shirley & Andrew Krejci. Release CD No. 03-00059853, First Interstate Bank, Omaha, NE, in the amount of \$2,000. Accept CD 242778, First National Bank, Rapid City, in the amount of \$2,500.
NE1/4 Section 34; T5N-R2E, Lawrence County				
Transfer to:				
Shirley & Andrew Krejci Springfield, NE				
<u>Acceptance of Financial Assurance Bond for Wharf Resources (USA), Inc.:</u>				
Wharf Resources (USA), Inc. Lead, SD	356, 434, 435, 464, 476, & 490	\$807,300	United States Fire Insurance Company	Release Bond No. 612408650, United States Fire Insurance Company, in the amount of \$807,300. Accept Bond No. SPA150347_002, Siriuspoint America Insurance Company, in the amount of \$807,300.

SiriusPoint America Insurance Company

New York, New York

NAIC#: 38776 FEIN: 13-2997499 LEI: 549300BGR6MB72VBY546 LORS: B02642

Ratings as of Mar 21, 2023

AM Best	S&P
A- g, S	A-, N

FINANCIAL RESULTS

USD (000's Omitted)

BCAR as of Mar 21, 2023

ASSETS	2022	% Change	2021	2020
Bonds	902,110	103.1%	444,208	509,276
Common & Preferred Stocks	27	22.7%	22	1,019
Mortgage Loans	0	--	0	0
Real Estate	0	--	0	0
Cash & Short Term Investments	151,569	(14.2%)	176,552	225,833
Affiliated Investments	96,456	1.7%	94,888	108,668
Other	179,060	(32.6%)	265,808	283,680
Subtotal Cash & Inv. Assets	1,329,222	35.4%	981,478	1,128,476

Premiums Balances	605,265	55.0%	390,457	225,466
Deposits w/Reinsured Cos	47,616	68.6%	28,249	14,567
Reins Recoverable on Paid Losses	8,001	383.7%	1,654	3,161
Curr & Def Fed & Foreign Inc Tax	9,828	(34.9%)	15,094	11,034
Other Assets	37,733	(8.1%)	41,074	56,922
Total Assets	2,027,837	40.5%	1,442,912	1,428,592

LIABILITIES	2022	% Change	2021	2020
Loss Reserves (excl IBNR)	274,268	33.8%	205,060	178,184
IBNR Reserves	692,601	55.8%	444,477	335,175
Loss Adjustment Expense Reserves	95,337	66.9%	57,129	48,199
Unearned Premium Reserves	459,844	59.2%	288,838	149,326
Subtotal	1,522,050	52.9%	995,504	710,884
Other Liabilities	(2,955)	97.8%	(134,129)	158,080
Total Liabilities	1,519,095	76.4%	861,375	868,964

POLICYHOLDERS' SURPLUS	2022	% Change	2021	2020
Capital Paid-Up	5,000	0.0%	5,000	5,000
Surplus Paid-In	490,267	19.8%	409,296	409,296
Surplus Notes	0	--	0	0
Other Surplus Funds	2,338	108.1%	(28,840)	2,266
Unassigned Funds	11,137	(94.3%)	196,081	143,065
Policyholders' Surplus (PHS)	508,742	(12.5%)	581,537	559,628

PREMIUMS	2022	% Change	2021	2020
Direct Premiums	627,836	44.5%	434,438	305,150
+Assumed Affiliates Premiums	109,849	8.0%	101,752	108,707
+Assumed Non Affiliates Premiums	749,945	196.9%	252,590	104,238
Gross Premiums Written	1,487,630	88.6%	788,780	518,095
-Ceded Affiliates Premiums	6,020	(40.4%)	10,094	1,718
-Ceded Non Affiliates Premiums	350,988	116.7%	162,006	118,404
Net Premiums Written	1,130,622	83.3%	616,680	397,973

INCOME STATEMENT	2022	% Change	2021	2020
Net Premiums Earned	959,617	101.1%	477,169	351,800
-Losses Incurred	595,555	81.0%	329,003	215,393
-Loss Expense Incurred	61,762	244.0%	17,955	18,343
-Underwriting Expense	381,518	93.6%	197,035	123,915
Net Underwriting Gain/Loss	(79,217)	(18.5%)	(66,824)	(5,851)
+Net Investment Income	23,826	44.0%	16,542	17,696
+Net Realized Cap Gain/(Loss)	5,582	(94.5%)	100,640	5,153
+Other Income	(9,033)	61.1%	(23,245)	(232)
-Dividends to Policyholders	0	--	0	0
-Federal and Foreign Tax	(2,753)	(57.0%)	(1,753)	(679)
Net Income	(56,088)	(294.3%)	28,867	17,445

PHS ADJUSTMENTS	2022	% Change	2021	2020
Net Income	(56,088)	(294.3%)	28,867	17,445
Unrealized Cap Gains (Less CG Tax)	(48,280)	(882.5%)	6,170	25,515
Capital Contributions	80,971	--	0	0
Dividends to Stockholders	0	--	0	(25,000)
Other Surplus Changes	(49,398)	(276.3%)	(13,128)	19,592
Change in Surplus	(72,795)	(432.3%)	21,909	37,552

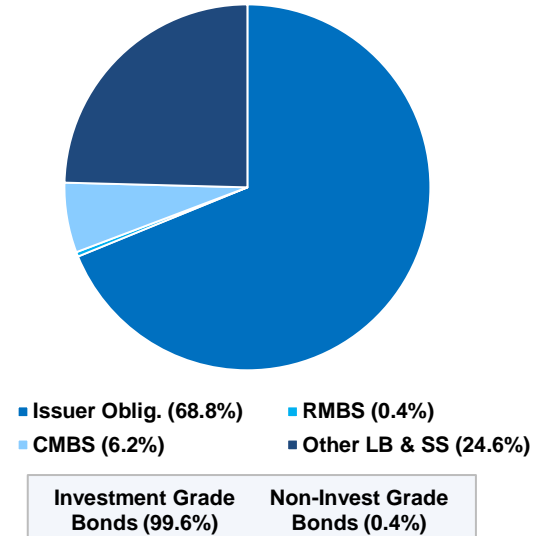
REINSURANCE RECOVERABLE	2022	% Change	2021	2020
Unaff Paid & Unpaid Losses & LAE	92,107	40.8%	65,410	66,574
Unaff Unearned Premiums	123,477	114.7%	57,511	29,492
Unaff IBNR	202,987	93.3%	105,027	96,423
Affiliated Reins. Recoverable	5,034	(4.9%)	5,296	329
Total Reinsurance Recoverable	423,605	79.4%	236,083	192,818

BCAR	Confidence Level %
95.0	99.0
99.5	99.6
Score	63.6

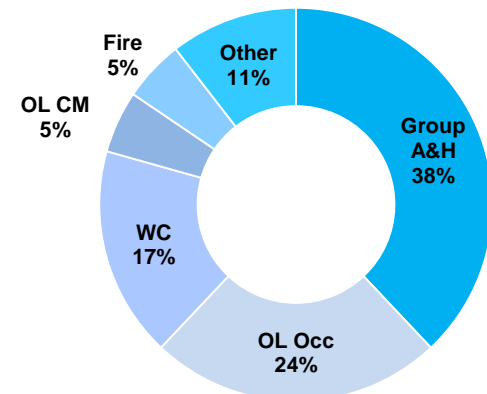
BCAR for SiriusPoint Ltd.

Company is a member of the rating unit

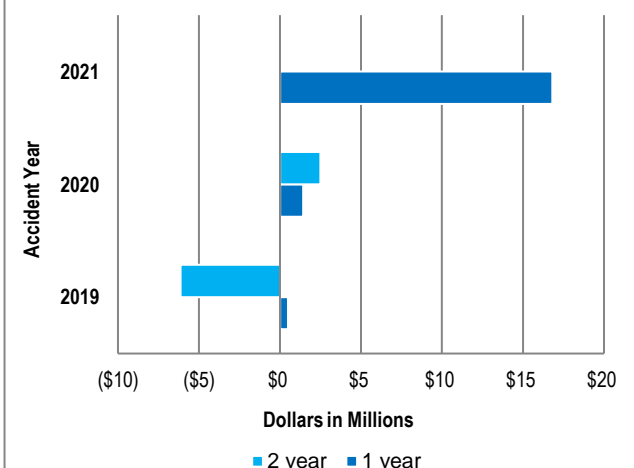
Bonds & Short Term Inv



NPW: USD1,130.6 mn



Reserve Development



Source of Data: AM Best (AMB#: 002642)

SiriusPoint America Insurance Company

PROFITABILITY (%)	2022	2021	2020
Pre-tax Operating Return / NPE	(6.7)	(15.4)	3.3
ROAE	(10.3)	5.1	3.2
Dividends / Net Income	0.0	0.0	143.3
Net Investment Yield	2.1	1.6	1.6
Pure Loss Ratio	62.1	68.9	61.2
+Loss Expense Ratio	6.4	3.8	5.2
+Policyholders' Dividend Ratio	0.0	0.0	0.0
+Net Commission / NPW	29.0	26.4	24.8
+Other Und Expense / NPW	4.7	5.6	6.3
Combined Ratio	102.2	104.7	97.6
Loss Reserve Dev (excl Forex) / NPE (Favorable) / Unfavorable	0.1	3.4	(2.5)

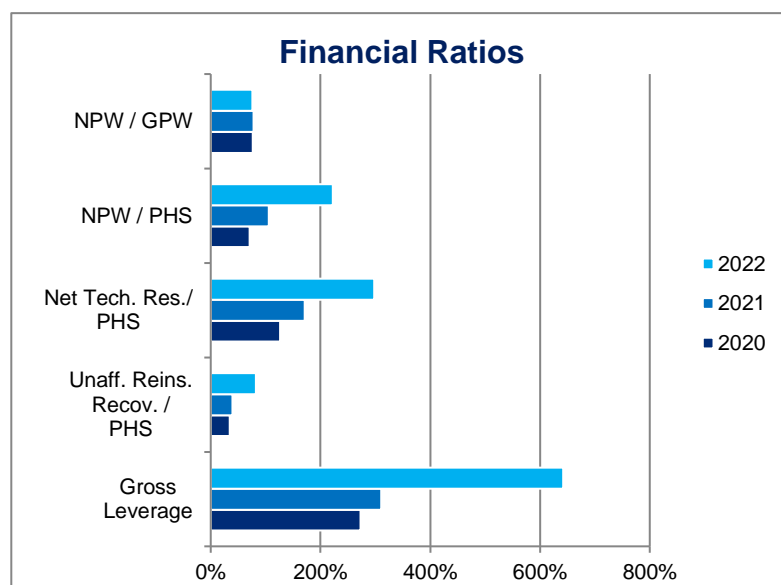
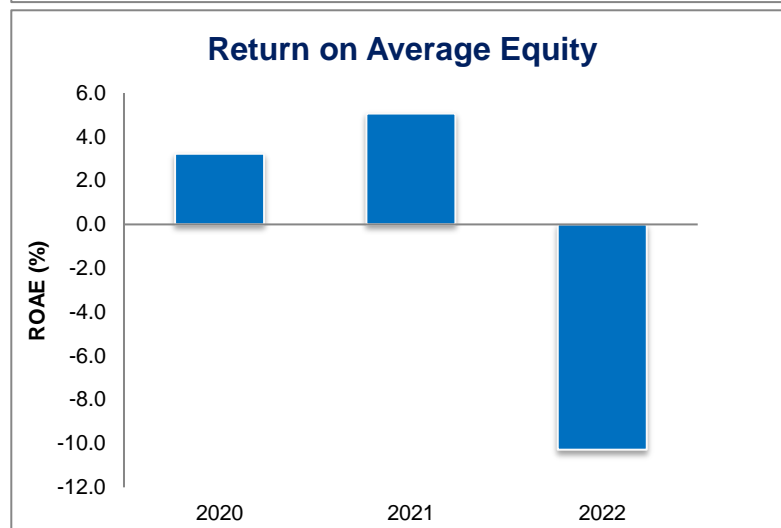
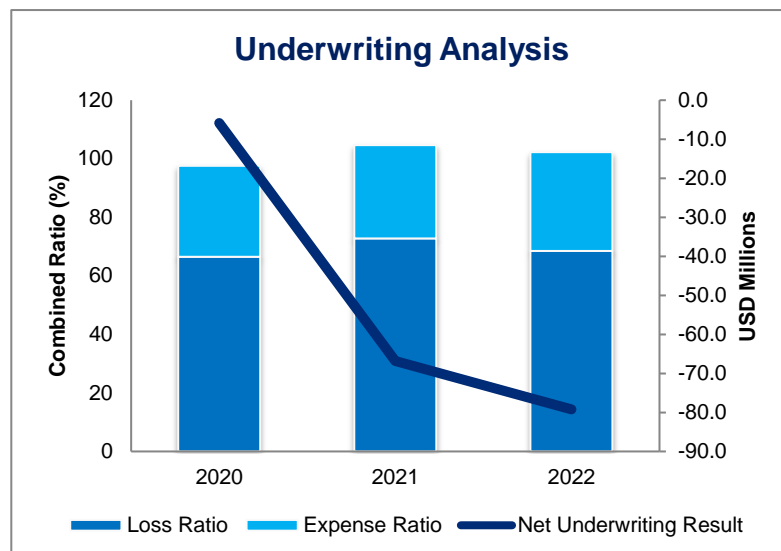
LEVERAGE (X)	2022	2021	2020
RBC	3.3	5.2	5.9
GPW / PHS	2.9	1.4	0.9
NPW / PHS	2.2	1.1	0.7
Net Tech Res / PHS	3.0	1.7	1.3
Other Liabilities / PHS	(0.0)	(0.2)	0.3
Net Leverage	5.2	2.5	2.3
Unaff Reins Recover / PHS	0.8	0.4	0.3
Unaff Ceded Premiums / PHS	0.4	0.2	0.1
Gross Leverage	6.4	3.1	2.7
NPW / GPW (%)	76.0	78.2	76.8

OVERALL LIQUIDITY (%)	2022	2021	2020
Liquid Assets / Net Tech Res	69.6	62.5	104.0
Inv Assets+Fnds Hld/ N Tech Res	90.9	101.6	161.5
Inv Assets+Fnds Hld/ Net Liabs	90.6	117.2	131.5
Total Assets / Total Liabilities	126.3	153.2	152.7

ASSET COMPOSITION (%)	2022	2021	2020
Non-Inv Assets / Total Assets	34.5	32.0	21.0
Cash & Short Term / Inv Assets	11.4	18.0	20.0
Stocks / Invested Assets	0.0	0.0	0.1
Bonds / Invested Assets	67.9	45.3	45.1
All Other Invest / Invested Assets	20.7	36.8	34.8

LOSS RESERVES (%)	2022	2021	2020
Loss Res / NPE	110.7	148.1	159.6
IBNR Res (w/o LAE) / NPE	72.2	93.1	95.3
IBNR Res (w/o LAE) / Loss Res	65.2	62.9	59.7

PERCENTAGE CHANGE	2022	2021	2020
GPW	88.6	52.2	31.6
NPW	83.3	55.0	54.4
NPE	101.1	35.6	54.7
Loss & LAE Reserves	50.3	25.8	10.8
Net Liabilities	76.4	(0.9)	17.3
PHS	(12.5)	3.9	7.2
PHS from retained earnings	(9.6)	5.2	(1.4)



For more information about The Market Information Group visit marsh.com, guycarp.com, or contact your local Marsh or Guy Carpenter representative.

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SiriusPoint America Insurance Company

Net Premium by Line:

(000's Omitted)	% of 2022 NPW	2022	2021	2020	2022 % Chng	2021 % Chng
Fire	5.0%	56,987	16,800	353	239.2%	4659.2%
Allied Lines *	3.4%	38,211	33,947	31,825	12.6%	6.7%
Farmowners MP	0.0%	-	-	-	-	-
Homeowners MP	0.0%	1	2	3	(50.0%)	(33.3%)
Commercial MP *	1.4%	15,665	598	618	2519.6%	(3.2%)
Mortg Guaranty	0.0%	-	-	-	-	-
Ocean Marine	0.1%	821	1,459	931	(43.7%)	56.7%
Inland Marine	0.0%	556	-	-	-	-
Finan Guaranty	0.0%	-	-	-	-	-
Med Prof Liab Occur	0.0%	-	-	-	-	-
Med Prof Liab Claims	0.0%	-	-	-	-	-
Earthquake	0.0%	-	-	-	-	-
Group A&H *	38.0%	429,349	223,819	221,074	91.8%	1.2%
Credit A&H	0.0%	-	-	-	-	-
Other A&H *	0.0%	15	-	-	-	-
Workers' Comp	17.3%	195,926	157,601	85,306	24.3%	84.7%
Oth Liab Occur	24.1%	272,054	122,383	27,789	122.3%	340.4%
Oth Liab Claim	5.1%	57,788	-	-	-	-
Excess Workers Comp	0.0%	-	-	-	-	-
Prod Liab Occ	0.2%	2,402	1,015	-	136.7%	-
Prod Liab Clms	0.0%	-	-	-	-	-
PP Auto Liab *	0.2%	2,505	566	-	342.6%	-
Comm Auto Liab *	3.5%	39,729	-	-	-	-
Auto Phys Damg *	0.0%	-	-	-	-	-
Aircraft	0.0%	-	-	-	-	-
Fidelity	0.0%	-	-	-	-	-
Surety	0.1%	1,343	1,491	1,758	(9.9%)	(15.2%)
Burglary & Theft	0.0%	-	-	-	-	-
Boiler & Mach	0.0%	-	-	-	-	-
Credit	0.0%	-	-	-	-	-
International	0.2%	1,773	(285)	6,897	722.1%	(104.1%)
Warranty	0.0%	-	-	-	-	-
Rein-Property	0.9%	9,971	14,242	20,759	(30.0%)	(31.4%)
Rein-Liability	0.5%	5,528	43,043	659	(87.2%)	6431.6%
Rein-Fin Lines	0.0%	-	-	-	-	-
Agg Write-Ins	0.0%	-	-	-	-	-
Total	100.0%	1,130,623	616,681	397,972	83.3%	55.0%

Loss Experience:

	% of 2022 NPE	Pure Loss Ratio			negative indicates improvement	
		2022	2021	2020	2022 Pt Chng	2021 Pt Chng
Fire	4.8%	47.3%	102.0%	321.5%	(54.7)	(219.5)
Allied Lines *	3.5%	72.9%	91.1%	74.9%	(18.2)	16.2
Farmowners MP	0.0%	-	-	-	-	-
Homeowners MP	0.0%	---	---	-33.3%	-	-
Commercial MP *	1.6%	44.1%	42.3%	0.2%	1.8	42.1
Mortg Guaranty	0.0%	-	-	-	-	-
Ocean Marine	0.1%	-37.4%	49.3%	-161.2%	(86.8)	210.5
Inland Marine	0.0%	-148.4%	-	-	-	-
Finan Guaranty	0.0%	-	-	-	-	-
Med Prof Liab Occur	0.0%	-	-	-	-	-
Med Prof Liab Claims	0.0%	-	-	-	-	-
Earthquake	0.0%	-	-	-	-	-
Group A&H *	37.2%	55.5%	56.9%	62.5%	(1.4)	(5.6)
Credit A&H	0.0%	-	-	-	-	-
Other A&H *	0.0%	62.5%	-	-	-	-
Workers' Comp	19.5%	74.2%	71.3%	61.4%	2.9	9.9
Oth Liab Occur	19.1%	68.4%	89.9%	60.0%	(21.5)	29.9
Oth Liab Claim	6.0%	61.1%	-	-	-	-
Excess Workers Comp	0.0%	-	-	-	-	-
Prod Liab Occ	0.3%	68.6%	27.6%	-	40.9	-
Prod Liab Clms	0.0%	-	-	-	-	-
PP Auto Liab *	0.1%	13.6%	---	-	-	-
Comm Auto Liab *	2.4%	65.5%	-	-	-	-
Auto Phys Damg *	0.0%	-	-	-	-	-
Aircraft	0.0%	-	-	-	-	-
Fidelity	0.0%	-	-	-	-	-
Surety	0.2%	98.4%	98.4%	3.8%	0.1	94.6
Burglary & Theft	0.0%	-	-	-	-	-
Boiler & Mach	0.0%	-	-	-	-	-
Credit	0.0%	-	-	-	-	-
International	0.2%	-374.2%	-152.2%	52.2%	(222.0)	(204.4)
Warranty	0.0%	-	-	-	-	-
Rein-Property	1.2%	47.5%	91.0%	71.0%	(43.6)	20.0
Rein-Liability	3.8%	78.1%	59.9%	---	18.2	-
Rein-Fin Lines	0.0%	-	-	-	-	-
Agg Write-Ins	0.0%	-	-	-	-	-
All Lines	100.0%	62.1%	68.9%	61.2%	(6.9)	7.7

SiriusPoint America Insurance Company

By Line Loss Reserve Development

<u>Lines of Business</u>	<u>Prior Yr Loss Reserves</u>	<u>1 Yr Devel</u>	<u>Prior Yr Losses Paid in the Current Yr</u>	<u>Remaining Unpaid Losses for Prior Yrs</u>	<u>% Reduction in Prior Year Loss Reserves</u>	<u>Unpaid Prior year Reserve / Current Year Reserve</u>	<u>1 Yr Development to Current NPE</u>	<u>Development to Prior Yr Res</u>
HO / FO	251	(3)	224	24	90.4 %	96.0 %	(300.0)%	(1.2)%
Priv Pass Auto Liab	700	(128)	119	453	35.3 %	38.4 %	(9.7)%	(18.3)%
Comm Auto Liab	1,286	0	160	1,126	12.4 %	7.1 %	0.0 %	0.0 %
Workers' Comp	159,883	24,035	49,355	134,563	15.8 %	50.4 %	12.8 %	15.0 %
CMP	779	226	887	118	84.9 %	1.6 %	1.4 %	29.0 %
Med Mal Occur	0	0	0	0	0.0 %	0.0 %		
Med Mal CM	0	0	0	0	0.0 %	0.0 %		
Spec'l Liab	4,125	(803)	156	3,166	23.2 %	87.6 %	(96.1)%	(19.5)%
Other Liab Occur	228,358	0	13,050	215,308	5.7 %	63.4 %	0.0 %	0.0 %
Other Liab CM	0	0	0	0	0.0 %	0.0 %	0.0 %	
Int'l	31,933	(6,784)	4,077	21,072	34.0 %	98.9 %	(370.1)%	(21.2)%
Reins A	28,535	(3,184)	6,874	18,477	35.2 %	71.1 %	(28.8)%	(11.2)%
Reins B	101,050	(915)	6,756	93,379	7.6 %	75.0 %	(2.5)%	(0.9)%
Reins C	0	0	0	0	0.0 %	0.0 %		
Product Liab Occur	798	619	1,056	361	54.8 %	21.1 %	24.9 %	77.6 %
Product Liab CM	0	0	0	0	0.0 %	0.0 %		
Short Tailed Lines	139,317	(12,552)	52,604	74,161	46.8 %	37.2 %	(2.9)%	(9.0)%
Total	697,015	511	135,318	562,208	19.3 %	53.8 %	0.1 %	0.1 %

Original Accident Year Incurred Losses and Subsequent Development - All Lines

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Accident Yr Loss Ratio</u>		
											<u>Original</u>	<u>Developed</u>	<u>Difference</u>
Prior Yrs	743,316	(996)	(19,809)	(18,135)	12,101	(9,284)	3,529	9,805	23,363	(16,468)			
2013	107,645	(4,314)	(3,804)	(1,505)	(970)	126	(209)	17	(516)	(338)	45.1 %	40.3 %	(4.8)%
2014		119,593	8,468	7,429	(471)	(1,310)	(3,021)	(451)	(308)	(112)	44.9 %	48.8 %	3.8 %
2015			158,303	10,961	70	(869)	(542)	(637)	(57)	(121)	55.3 %	58.4 %	3.1 %
2016				192,360	3,104	(2,286)	(835)	(524)	(907)	(384)	71.0 %	70.4 %	(0.7)%
2017					78,525	17,352	1,041	(2,364)	925	(337)	84.9 %	102.9 %	18.0 %
2018						97,854	7,421	(4,146)	(544)	(460)	67.5 %	69.0 %	1.6 %
2019							175,479	(10,337)	(6,626)	495	77.2 %	69.9 %	(7.2)%
2020								237,000	1,059	1,431	67.4 %	68.1 %	0.7 %
2021									335,796	16,804	70.4 %	73.9 %	3.5 %
2022										643,020	67.0 %		

Calendar Year Effect: Total Devel	(5,310)	(15,145)	(1,250)	13,834	3,729	7,384	(8,637)	16,389	510
Loss Ratio Points	(2.0)%	(5.3)%	(0.5)%	15.0 %	2.6 %	3.2 %	(2.5)%	3.4 %	0.1 %

Annual Update on South Dakota's Volkswagen Beneficiary Mitigation Plan

BME Meeting – January 18, 2024

South Dakota Department of
Agriculture and Natural Resources

Barb Regynski

South Dakota's Plan

- ▶ August 2018 – Plan approved by BME.
- ▶ March 2019 – Governor signed bill giving spending authority for VW trust funds.
- ▶ May 2021 – Plan revisions approved by BME.
- ▶ October 2027 – At least 80% of the funds must be obligated.

Category	Eligible Mitigation Action	Current % Range	Allotted Amount
1/6	Class 8/Class 4–7 Local Freight Trucks	35 to 45%	\$2,843,750 to \$3,656,250
2/10	Class 4–8 Buses /DERA Option	35 to 45%	\$2,843,750 to \$3,656,250
9	Light Duty ZEV Supply Equipment	10 to 15% ¹	\$812,500 to \$1,218,750
Admin	Administrative Costs	2.5 to 10% ¹	\$203,125 to \$812,500
Total VW Trust		100%	\$8,125,000

¹ – The VW trust limits the maximum amount that may be used in the category to 15%.

Trucks – VW C1 and C6

Category	Eligible Mitigation Action	Current % Range	Allotted Amount
1 / 6	Class 8/Class 4-7 Local Freight Trucks	35 to 45%	\$2,843,750 to \$3,656,250

Through	Expended	Additional Obligated	Remaining Funds
11/2023	\$2,051,313	\$1,300,054	Max \$304,883

- ▶ The VW Truck Rebate Program provides rebates for replacing old diesel trucks, with new cleaner trucks.
- ▶ Open to state and local governmental agencies.
- ▶ We are having two rounds per year, open for applications in January and June.
- ▶ For rounds one through three, rebate percentages were 25%; for rounds four and five, they were increased to 50%; and for rounds six through nine they were set at 35%.
- ▶ For 2024 (rounds ten and possibly eleven), the remaining approximately \$304,883 of VW truck rebate funds will be available. Round ten closes January 26th.

Buses – VW C2 and C10

Category	Eligible Mitigation Action	Current % Range	Allotted Amount
2/10	Class 4–8 Buses /DERA Option	35 to 45%	\$2,843,750 to \$3,656,250

Through	Expended	Additional Obligated	Remaining Funds
11/2022	\$1,879,190	\$200,697	Max \$1,576,363

- ▶ The State Clean Diesel Grant Program provides rebates for replacing old diesel buses, with new cleaner buses.
- ▶ DERA funds, VW C10 funds, DERA bonus funds, VW C2 funds, and VW admin funds are used.
- ▶ Rebate percentages have been 25% or 35% depending on fuel type of replacement bus, this is a DERA requirement.
- ▶ Round 16 opened in November 2023 and the agreements will be signed by February 2024.

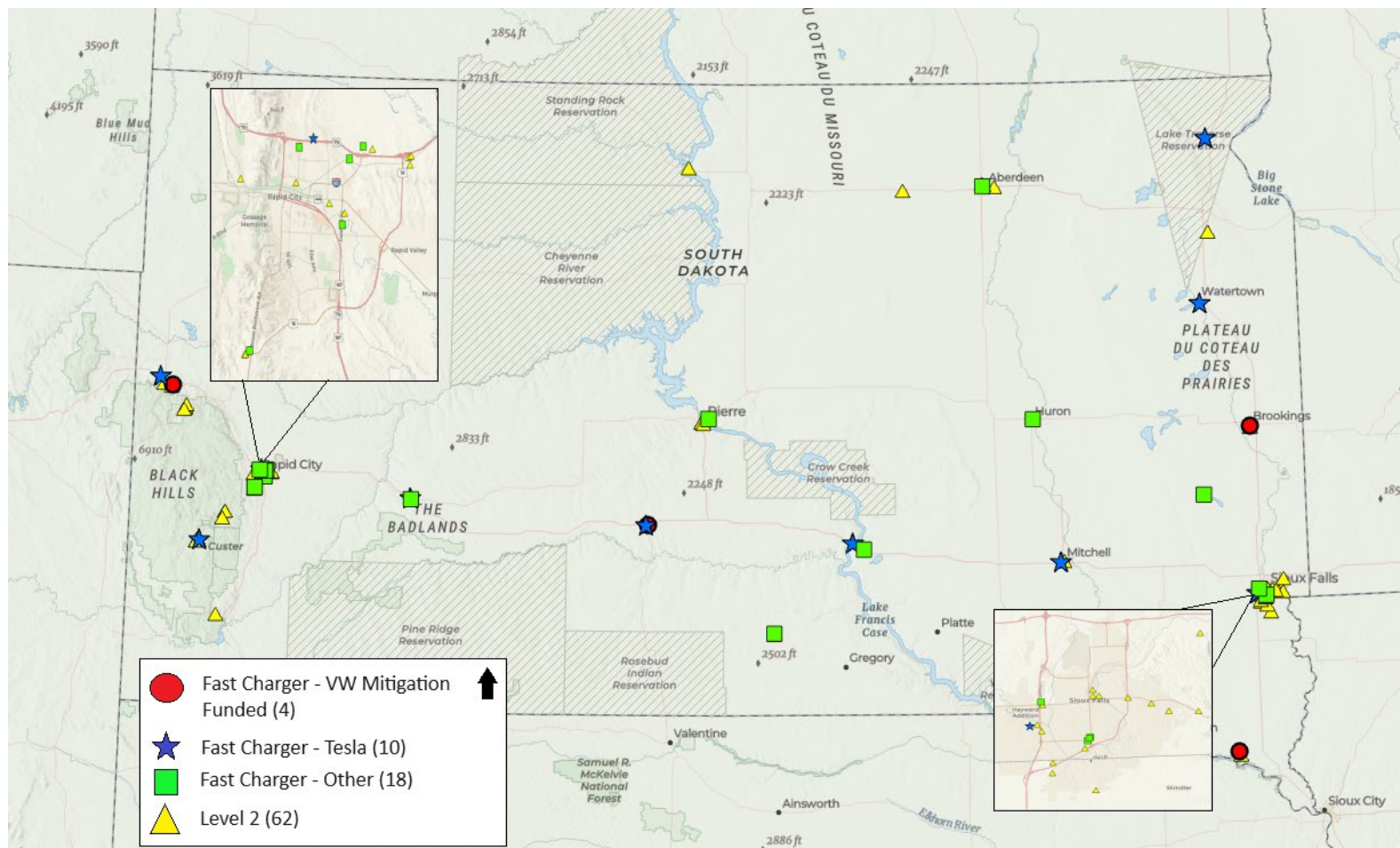
Electric Vehicle Charging Stations – VW C9

Category	Eligible Mitigation Action	Current % Range	Allotted Amount
9	Light Duty ZEV Supply Equipment	10 to 15%	\$812,500 to \$1,218,750

Through	Expended	Additional Obligated	Remaining Funds
11/2023	\$413,972	\$178,035	Max \$626,743

- ▶ Maximum allowed for this category 15%.
- ▶ Rebate percentage up to 80% per charging station and installation.
- ▶ For round one, chargers in Mitchell and ~~Chamberlain~~.
- ▶ For round two, chargers in Vermillion, ~~Huron, Yankton, Aberdeen~~, Pierre, Brookings, Murdo, and Spearfish.
- ▶ Round three taking applications through March 13, 2024.

Existing Public EV Charging Stations (1 / 2024)



Data from the Alternative Fuels Data Center Website
<https://afdc.energy.gov/stations/#/find/nearest>

Administrative Costs– Admin

Category	Eligible Mitigation Action	Current % Range	Allotted Amount	Expended through 11/2023	Remaining Funds
Admin	Administrative Costs	2.5 to 10%	\$203,125 to \$812,500	\$ 225,773	Max \$586,727

- ▶ Maximum allowed for this category 15%.

Funding Summary

- ▶ Of the \$8,125,000 available, \$6,249,034 has been expended or obligated = 77%

More Information

<https://danr.sd.gov/Environment/AirQuality/VolkswagenTrust/VWEVCS.aspx>

