

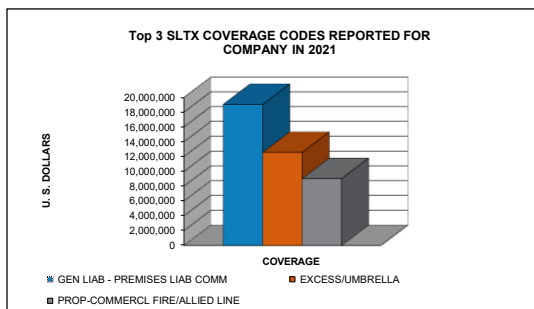
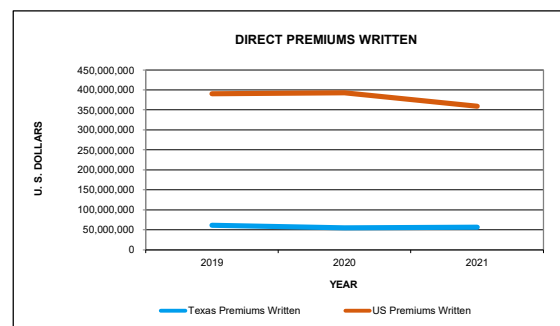
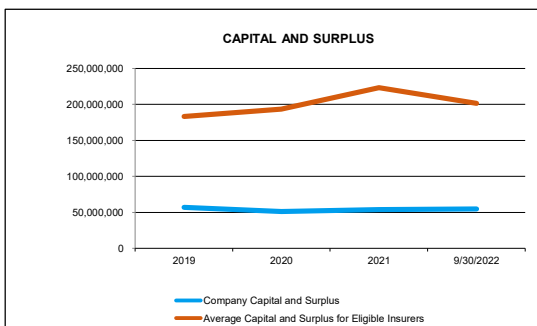
Hallmark Specialty Insurance Company			Issue Date: 12/20/2022	
Insurer #:	80101194	NAIC #:	26808	AMB# 010838

U.S. Insurer - 2022 EVALUATION

Key Dates	Location	A.M. Best Rating	Group Information
TDI Initial Date	1-Feb-08	A- Excellent Oct-22	Insurance Group
Incorporation Date	24-Dec-86		Hallmark Insurance Group
Commenced Business	31-Dec-86		Hallmark Financial Services Inc
Main Administrative Office 5420 Lyndon B Johnson Freeway Ste 1100 Dallas, TX 75240			Parent Company Hallmark Financial Services Inc Parent Domicile Nevada

	9/30/2022	2021	2020	2019
Capital & Surplus	54,574,000	53,675,000	51,554,000	56,967,000
Underwriting Gain (Loss)	1,095,000	(4,360,000)	(3,625,000)	(12,350,000)
Net Income After Tax	3,981,000	1,175,000	2,407,000	(6,488,000)
Cash Flow from Operations		22,586,000	(9,367,000)	8,227,000
Gross Premium		443,266,000	507,166,000	522,552,000
Net Premium	26,500,000	83,948,000	114,127,000	132,404,000
Direct Premium Total	298,315,000	359,316,000	393,040,000	390,149,000
Direct Premium in Texas (Schedule T)		56,695,000	55,266,000	61,525,000
% of Direct Premium in Texas		16%	14%	16%
Texas' Rank in writings (Schedule T)		2	2	2
SLTX Premium Processed		53,233,469	57,963,029	60,904,465
Rank among all Texas S/L Insurers		45	36	27
Combined Ratio		105%	101%	111%
IRIS Ratios Outside Usual Range		6	9	7

1- Gross Premium to Surplus	2- Net Premium to Surplus	3- Change in Net Premium Written (%)
826.00%	156.00%	-26.00%
<i>Usual Range: Less than 900%</i>	<i>Usual Range: Less than 300%</i>	<i>Usual Range: Between -33% and 33%</i>
4- Surplus Aid Ratio	5- Two Year Operating Ratio	Investment Yield
27.00%	105.00%	1.70%
<i>Usual Range: Less than 15%</i>	<i>Usual Range: Less than 100%</i>	<i>Usual Range: Between 3% and 6.5%</i>
7- Gross Change in Surplus (%)	8- Net Change in Surplus (%)	9- Liabilities to Liquid Assets
4.00%	4.00%	164.00%
<i>Usual Range: Between -10% and 50%</i>	<i>Usual Range: Between -10% and 25%</i>	<i>Usual Range: Less than 100%</i>
10- Agents Balances to Surplus	11- One Year Development to Surplus	12- Two Year Development to Surplus
93.00%	7.00%	38.00%
<i>Usual Range: Less than 40%</i>	<i>Usual Range: Less than 20%</i>	<i>Usual Range: Less than 20%</i>
13- Current Estimated Reserve Deficiency		
-33.00%		
<i>Usual Range: Less than 25%</i>		



2021 Premiums by Line of Business (LOB)	
1 Other Liab (Occurrence)	\$ 35,233,000.00
2 Fire	\$ 7,151,000.00
3 Allied Lines	\$ 6,954,000.00
4 Other Liab (Claims-made)	\$ 2,610,000.00
5 Other Comm Auto Liab	\$ 1,799,000.00

2021 Losses Incurred by Line of Business (LOB)	
1 Other Liab (Occurrence)	\$ 28,505,000.00
2 Other Comm Auto Liab	\$ 4,698,000.00
3 Fire	\$ 4,261,000.00
4 Allied Lines	\$ 3,872,000.00
5 Medical Professional Liability	\$ 972,000.00