Crum & Forster Specialty Insurance Company

Insurer #: 8304632
NAIC #: 44520
AMB #: 011123

Key Dates
- TDI Initial Date: 7-Jan-98
- Incorporation Date: 30-Oct-89
- Commenced Business: 1-Jun-90

Location
- Domicile: Delaware
- Main Administrative Office: 305 Madison Avenue, Morristown, NJ 07960

A.M. Best Rating
- July 20: A

Group Information
- Insurance Group: Crum & Forster Insurance Group
- Parent Company: Fairfax Financial Holdings Limited
- Parent Domicile: Ontario

U.S. Insurer - 2020 EVALUATION

<table>
<thead>
<tr>
<th>Financial Metrics</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital &amp; Surplus</td>
<td>$51,743,000</td>
<td>$51,096,000</td>
<td>$51,355,000</td>
<td>$50,305,000</td>
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<tr>
<td>Underwriting Gain (Loss)</td>
<td>$(675,000)</td>
<td>$(775,000)</td>
<td>$(316,000)</td>
<td>$(118,000)</td>
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<tr>
<td>Net Income After Tax</td>
<td>$613,000</td>
<td>$668,000</td>
<td>$1,469,000</td>
<td>$(228,000)</td>
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<tr>
<td>Cash Flow from Operations</td>
<td>$46,283,000</td>
<td>$(1,278,000)</td>
<td>$(3,414,000)</td>
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<tr>
<td>Gross Premium</td>
<td>$528,348,000</td>
<td>$284,458,000</td>
<td>$228,971,000</td>
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</tr>
<tr>
<td>Net Premium</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Direct Premium Total</td>
<td>$358,872,000</td>
<td>$528,298,000</td>
<td>$284,436,000</td>
<td>$228,968,000</td>
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<tr>
<td>Direct Premium in Texas (Schedule T)</td>
<td>$83,816,000</td>
<td>$45,222,000</td>
<td>$38,134,000</td>
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<tr>
<td>% of Direct Premium in Texas</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>17%</td>
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<tr>
<td>Texas’ Rank in writings (Schedule T)</td>
<td>1</td>
<td>1</td>
<td>1</td>
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<tr>
<td>SLTX Premium Processed</td>
<td>$76,674,154</td>
<td>$47,567,692</td>
<td>$39,006,457</td>
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<tr>
<td>Rank among all Texas S/L Insurers</td>
<td>20</td>
<td>33</td>
<td>38</td>
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<tr>
<td>Combined Ratio</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
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<tr>
<td>IRIS Ratios Outside Usual Range</td>
<td>2</td>
<td>2</td>
<td>2</td>
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</tbody>
</table>

1- Gross Premium to Surplus | 999.00% | 0.00% | 0.00% |
2- Net Premium to Surplus | Usual Range: Less than 900% | Usual Range: Less than 33% | Usual Range: Between -10% and 50% |
3- Change in Net Premium Written (%) | Usual Range: Between -33% and 33% |
4- Surplus Aid Ratio | 0.00% | 0.00% | 1.40% |
5- Two Year Operating Ratio | Usual Range: Less than 15% | Usual Range: Between 3% and 6% |
6- Investment Yield | Usual Range: Between -10% and 25% |
7- Gross Change in Surplus (%) | -1.00% | -1.00% | 84.00% |
8- Net Change in Surplus (%) | Usual Range: Between -10% and 25% | Usual Range: Less than 100% |
9- Liabilities to Liquid Assets | Usual Range: Less than 100% |
10- Agents Balances to Surplus | 2.00% | 0.00% | 0.00% |
11- One Year Development to Surplus | Usual Range: Less than 20% | Usual Range: Less than 20% |
12- Two Year Development to Surplus | Usual Range: Less than 20% |
13- Current Estimated Reserve Deficiency | 0.00% |

Top 3 SLTX COVERAGE CODES REPORTED FOR COMPANY IN 2019
- GEN LIAB - PREMISES LIABILITY COMM (52,568,000)
- EXCESS/UMBRELLA (26,980,000)
- ACCIDENT & HEALTH - GROUP (16,578,000)

2019 Premiums by Line of Business (LOB)
1. Other Liab (Occurrence) $ 51,805,000.00
2. Products Liab $ 11,137,000.00
3. Allied Liab $ 7,199,000.00
4. Other Liab (Claims-made) $ 6,228,000.00
5. Fire $ 5,336,000.00

2019 Losses Incurred by Line of Business (LOB)
1. Other Liab (Occurrence) $ 25,928,000.00
2. Products Liab $ 2,609,000.00
3. Allied Liab $ 2,476,000.00
4. Other Liab (Claims-made) $ 886,000.00
5. Corr Mult Peril (Lab) $ 157,000.00

By A.M. Best Company
- IRIS Ratings Outside Usual Range as of July 20: 0.00%
- Usual Range: Between -10% and 50%