COLONY INSURANCE COMPANY

U. S. Insurer - 2015 EVALUATION

Issue Date
April-15

Insurer Number:	Texas #	80101036	NAIC #	0457-39993
TDI Initial Date	**1-Jan-83**		AMB #	03283

State of Domicile:	**VIRGINIA**	Incorporation Date:	24-Apr-62
Location of Main Administrative Offices:	**Richmond, VA**	Commenced Business:	27-Jul-81

Parent / Ultimate Parent: **Argo Group U.S. Inc./Argo Group International Holdings Ltd**
Name of Insurance Group: **Argo Group** — Parent Domicile: Delaware/Bermuda
A.M. Best's Rating **A** *Stable* www.ambest.com
as of **Apr-15**
Affirmed 2-Oct-14

	2014	2013	2012	2011	2010
Capital & Surplus	319,844,982	329,979,809	328,014,602	334,644,839	378,579,860
Underwriting Gain (Loss)	40,142,566	30,756,979	17,068,469	35,968,116	33,330,674
Net Income After Tax	81,067,441	45,972,555	39,636,801	168,010,348	58,955,333
Cash Flow from Operations	72,469,623	38,867,776	(3,567,532)	76,797,936	(23,735,771)
Return on Policyholder Surplus	19.9%	21.6%	16.1%	17.3%	17.8%
Gross Premium	532,730,496	501,208,960	410,742,084	370,227,260	378,425,454
Net Premium	234,610,398	199,822,639	175,668,137	146,812,252	146,440,992
Gross Premium to Surplus Ratio	167%	152%	125%	111%	100%
Net Premium to Surplus Ratio	73%	61%	54%	44%	39%
Direct Premium Total	522,708,898	495,714,761	404,898,190	366,799,905	359,951,048
Direct Premium in Texas (Sch. T)	62,465,413	65,347,702	49,347,010	46,946,370	43,501,472
% of Direct Premium in Texas	12%	13%	12%	13%	12%
Texas' Rank in writings (Schedule T)	3 of 51	2 of 51	2 of 51	2 of 51	2 of 51
SLSOT Premium Processed	63,657,501	59,651,282	50,790,575	46,814,066	47,677,676
Rank among all Texas S/L Insurers	17	17	17	14	15
Combined Ratio	81%	83%	89%	78%	83%
IRIS Ratios Outside Usual Range	1	1	0	3	1

	2014	2013	2012
Gross Prem./Surplus	167%	152%	125%
Net Prem/Surplus	73%	61%	54%
Change - Net Premium	17%	14%	20%
Surplus Aid Ratio	3%	2%	2%
2 Yr. Operating Ratio	59%	61%	27%
Investment Yield	4.7%	**3.0%**	3.5%
Surplus Change (Gross)	-1%	1%	-2%
Surplus Change (Net)	-1%	1%	-2%
Liab. to Liquid Assets	**102%**	96%	93%
Agents Bal. to Surplus	17%	16%	14%
Reserve Development			
1Year Devl / Surplus	-11%	-12%	-9%
2Year Devl / Surplus	-23%	-21%	-17%
C.Deficiency / Surplus	24%	17%	-6%