

HUDSON SPECIALTY INSURANCE COMPANY

U. S. Insurer - 2015 EVALUATION

Issue Date May-15

Insurer Number: Texas # 809012522 NAIC # 0158-37079
 TDI Initial Date 1-Jul-96 AMB # 12631

State of Domicile: **NEW YORK** Incorporation Date: 13-Dec-84
 Location of Main Administrative Offices: **New York, NY** Commenced Business: 18-Dec-94

Parent / Ultimate Parent: **Hudson Insurance Company/Fairfax Financial Holdings Limited** Parents Domicile
 Name of Insurance Group: **Fairfax Financial Group** Delaware/Canada
 A.M. Best's Rating **A** Stable www.ambest.com
 as of **May-15**
 Affirmed 5-May-15

	2014	2013	2012	2011	2010
Capital & Surplus	186,778,537	157,661,651	143,783,005	137,994,866	131,205,292
Underwriting Gain (Loss)	21,256,608	9,019,835	(244,273)	63,365	1,982,515
Net Income After Tax	22,214,813	12,477,991	7,697,662	6,865,121	10,879,732
Cash Flow from Operations	52,680,477	30,304,437	19,922,602	10,418,478	582,622
Return on Policyholder Surplus	20.6%	8.5%	4.9%	4.7%	9.1%
Gross Premium	255,905,013	221,241,363	170,163,108	134,065,881	125,298,551
Net Premium	63,161,067	50,490,578	35,050,634	26,027,363	22,190,239
Gross Premium to Surplus Ratio	137%	140%	118%	97%	95%
Net Premium to Surplus Ratio	34%	32%	24%	19%	17%
Direct Premium Total	253,240,124	220,035,782	169,457,810	134,065,881	125,298,551
Direct Premium in Texas (Sch. T)	34,403,656	27,694,334	17,937,270	3,757,681	3,780,265
% of Direct Premium in Texas	14%	13%	11%	3%	3%
Texas' Rank in writings (Schedule T)	1 of 53	1 of 52	2 of 53	9 of 52	9 of 51
SLSOT Premium Processed	-	30,012,709	21,689,088	4,112,585	4,257,410
Rank among all Texas S/L Insurers	0	39	46	92	94
Combined Ratio	65%	80%	101%	100%	64%
IRIS Ratios Outside Usual Range	0	1	1	0	0

	2014	2013	2012
Gross Prem./Surplus	137%	140%	118%
Net Prem./Surplus	34%	32%	24%
Change - Net Premium	25%	44%	35%
Surplus Aid Ratio	2%	3%	3%
2 Yr. Operating Ratio	53%	67%	70%
Investment Yield	3.4%	3.7%	4.4%
Surplus Change (Gross)	18%	10%	4%
Surplus Change (Net)	18%	10%	4%
Liab. to Liquid Assets	64%	68%	62%
Agents Bal. to Surplus	0%	5%	1%
Reserve Development			
1Year Devl / Surplus	-1%	0%	-1%
2Year Devl / Surplus	-2%	-1%	-3%
C.Deficiency / Surplus	8%	9%	-2%

