



## HSB SPECIALTY INSURANCE COMPANY

Dollars in 000							
	2015	2016	2017		2015	2016	2017
Total Assets	53,139	53,097	56,208	RBC Ratio (%)	88,665.0	109,940.6	146,227.1
Total Liabilities	3,297	2,876	5,530	2yr Res Development	0	0	0
Policyholder Surplus	49,842	50,221	50,678	2yr Dev / Surplus (IRIS #12)	0.0%	0.0%	0.0%
Cash & Invested Assets	49,368	49,932	49,958	Affiliated Common Stck	0	0	0
Cash & Invested Assets/ Total Asset	92.9%	94.0%	88.9%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	-160	-148	0	Net Reins Recoverable	5,430	5,591	11,183
Loss & LAE Reserves	0	0	0	Net Reins Rec / Surplus	10.9%	11.1%	22.1%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	AMB / S&P Ratings	A++ / NR	A++ / NR	A++ / NR
GPW to PHS (IRIS #1)	12.4%	9.2%	19.9%				
NPW to PHS (IRIS #2)	0.0%	0.0%	0.0%				

  

Income/Loss Trends (\$000)	

  

Premium Trends (\$000)	

  

2017 Top 5 Geographies (DPW - \$000)	
<ul style="list-style-type: none"> <li>MA - \$3,201</li> <li>NC - \$2,507</li> <li>CA - \$1,526</li> <li>SC - \$577</li> <li>WA - \$271</li> <li>All Other - \$1,916</li> </ul>	

  

Total NY State DPW	\$0,164	Total All Lines	\$10,092
Total US ex Terr DPW	\$9,999		

HSB Specialty Insurance Company was incorporated in the State of Connecticut in June 2012. Financial control is under Münchener Rückversicherungs-Gesellschaft ("Munich Re"). The company has been eligible to write surplus lines business in New York since July 11, 2013. As of December 31, 2017, HSB Specialty was a Connecticut domestic surplus lines insurer and operated on a non-admitted basis in fifty states, the District of Columbia and Puerto Rico.

The company maintains a 100% quota share agreement with an affiliate, Hartford Steam Boiler Inspection & Insurance Company. Since HSB Specialty does not retain its underwriting risk, the risk of financial impairment is largely limited to credit risk exposure to its 100% reinsurer as well as risk from its investment portfolio. As a result of the quota share agreement, no values are reported for net premiums written, net premiums earned, underwriting income, and the various combined ratio trends.

#DIV/0 error messages occur in instances where the denominator of the ratio are zero (i.e. zero premium or reserves due to a 100% quota share).

## ULTIMATE PARENT – Münchener Rückversicherungs-Gesellschaft

Corporate Profile		Highlights (\$000)	2016	2017
Address:	Münchener Rückversicherungs-Gesellschaft AG Königinstrasse 107 80802 Munich, Germany	Total Assets	282,435,140	319,070,605
Website:	<a href="http://www.munichre.com">www.munichre.com</a>	Total Liabilities	248,913,731	285,211,335
Ticker Symbol:	ETR: MUV2	Shareholders' Equity	33,521,409	33,859,270
2017 Form 10-K:	N/A	Net Income	2,855,789	442,907
		Debt	5,207,762	4,405,620
		Debt / Equity	15.5%	13.0%
		Dividends Paid	1,470,493	1,506,110
		Dividends / Net Income	51.5%	340.1%

### Top 5 Unaffiliated Reinsurers for HSB Specialty Insurance Co. by Gross Recoverables

*Dollars in 000*

Rank	Reinsurer	Gross Recoverables	Assumed Premium (As-Reported by Reinsurer)	Premiums Ceded (As-Reported By Cedant)
1	-	-	-	-
2	-	-	-	-
3	-	-	-	-
4	-	-	-	-
5	-	-	-	-

Münchener Rückversicherungs-Gesellschaft ("Munich Re") is a publicly traded holding company (ETR: MUV2). The company engages in property and casualty, life and health insurance and reinsurance businesses worldwide. Munich Re was founded in 1880 and is based in Munich, Germany.

### **Important Information Regarding Financial Summaries**

This financial summary contains information helpful to New York excess lines brokers in meeting their non-delegable duty to use "due care" in the selection of a financially secure excess line insurer. Definitions of the financial terms used in the summaries appear as pop-up boxes when hovering your mouse over the corresponding text. For additional guidance on assessing insurance company financial statements, please reference "ELANY COMPLIANCE ADVISOR: FUNDAMENTALS OF INSURANCE COMPANY FINANCIAL ANALYSIS".

The Excess Line Association of New York has compiled the insurance company financial information from the Annual Statutory Financial Statements. All ratios, charts, and graphs are based on the compiled information. We have made every effort to ensure all information transcribed for these pages is correct. However, the Excess Line Association of New York cannot attest to the accuracy of data provided by its sources, nor do we make any warranties, either expressed or implied, regarding the accuracy or completeness of information presented in this document. We assume no responsibility for loss or damage resulting from the use of this information.