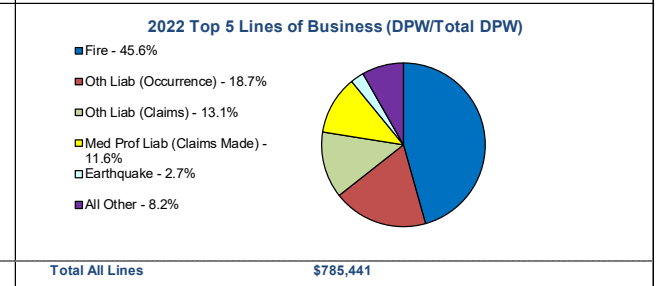
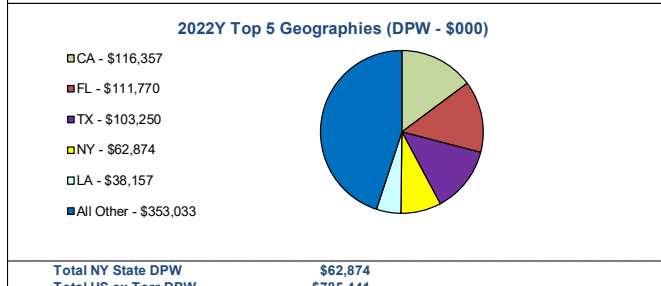
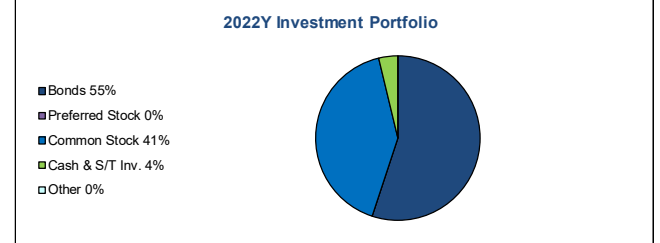
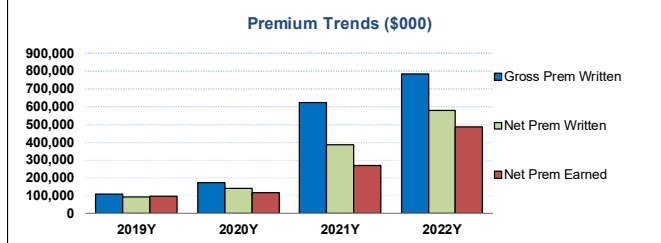
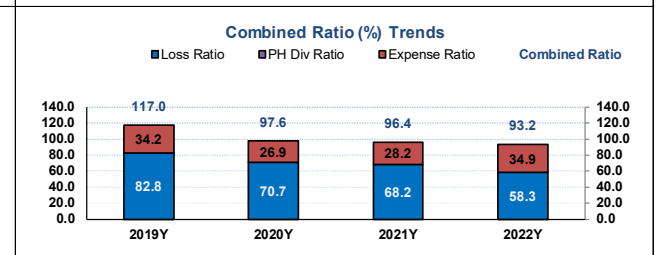
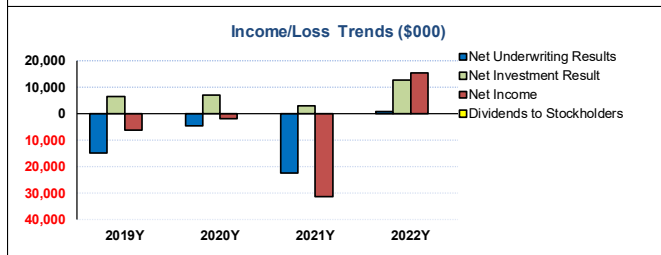




**STARSTONE SPECIALTY INSURANCE COMPANY, NAIC #44776
CORE SPECIALTY INSURANCE HOLDINGS INC**

Dollars in 000

	2019Y	2020Y	2021Y	2022Y		2019Y	2020Y	2021Y	2022Y
Total Assets	398,528	923,292	1,255,445	1,615,577	RBC Ratio (%)	294.8	1,098.2	675.6	380.3
Total Liabilities	205,871	132,033	521,601	819,421	2yr Res Development	4,154	3,027	-19,921	-24,505
Policyholder Surplus	192,657	791,258	733,844	796,156	2yr Dev / Surplus	283.1%	192.8%	-1034.0%	-309.7%
Cash & Invested Assets	355,219	883,651	1,123,245	1,394,952	Affiliated Common Stck	134,271	439,652	461,092	574,132
Cash & Invested Assets/ Total Assets	89.1%	95.7%	89.5%	86.3%	Affiliated CS / Surplus	69.7%	55.6%	62.8%	72.1%
Net Cash from Operations	19,917	62,960	294,564	127,790	Net Reins Recoverable	164,039	113,172	233,525	327,031
Loss & LAE Reserves	127,866	165,111	294,862	455,599	Net Reins Rec / Surplus	85.1%	14.3%	31.8%	41.1%
Loss & LAE Reserves/Surplus	66.4%	20.9%	40.2%	57.2%	AMB / S&P Ratings	A- / NR	A- / NR	A- / NR	A- / NR



Total NY State DPW	\$62,874
Total US ex Terr DPW	\$785,441

Total All Lines	\$785,441
-----------------	-----------

**Top 5 Reinsurers for StarStone Specialty Ins Co. by Gross Recoverables
Period: 2022Y**

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Integral Reinsurance Ltd.	Non-US Unaffiliated	Unauthorized	63,995	0
2 - StarStone Insurance Bermuda Limited	Non-US Unaffiliated	Authorized	28,221	0
3 - Everest Reinsurance Company	US Unaffiliated	Authorized	26,215	0
4 - Transatlantic Reinsurance Company	US Unaffiliated	Authorized	25,065	0
5 - Berkshire Hathaway Specialty Insurance Company	US Unaffiliated	Authorized	21,233	0

S&P Disclaimer Notice:

Reproduction of any information, data or material, including ratings ("content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("content providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. In no event shall content providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

HISTORY

Starstone Specialty Insurance Company (Starstone Specialty) was incorporated in the State of Delaware in August 1991 as BT Insurance Corporation, a subsidiary of Bankers Trust. The company was acquired by Alea Holdings US Company in December 1998 and subsequently changed its name to Rhine Re Insurance, Ltd. The company was renamed Alea North America Reinsurance Company in 2000 and then to Alea North America Specialty Insurance in 2002. In September 2006, the company was acquired by Praetorian Insurance Company, a subsidiary of QBE Insurance Group, Ltd. (Australia) and the name was changed to Praetorian Specialty Insurance Company. The company was acquired by Torus Insurance Holdings, Ltd. (Bermuda) in February 2009 and the name was changed to Torus Specialty Insurance Company. In April 2014, the company was acquired by Enstar Group Ltd. (Enstar) (Bermuda) (59%), Stone Point Capital, LLC (39.3%) and Dowling Capital Partners (1.7%). The company adopted its current name in 2015. The company has been eligible to write surplus lines business in New York since January 15, 2004. As of December 31, 2022, Starstone Specialty is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in all fifty (50) states, the District of Columbia, Guam, and Puerto Rico.

REINSURANCE

Starstone Specialty has a quota share reinsurance agreement with its up-stream parent, Starstone Insurance, Ltd (Starstone) (Bermuda), to cede 65% of its net retained business. Also, the company cedes on a quota share basis 35% of its premiums and losses to Kayla Re Ltd (Bermuda), an affiliate. The company has also entered into a continuous aggregate XOL reinsurance agreement with Starstone against significant cumulative calendar year loss ratios between 80% and 160%. For the years 2019 through 2022, respectively, Starstone Specialty net reinsurance recoverable was shown as \$164M, \$113M, \$233M and \$327M, representing 85%, 14%, 32% and 41% of company surplus.

HOLDING COMPANY - [Website](#)

With roots dating to 1993, in Bermuda, with the founding of Castlewood, Ltd., its founding partners then formed Enstar in 2001 and merged the two companies in 2007, with Enstar the surviving name. Created through acquisitions and merger of more than 100 legacy insurance companies and legacy insurance portfolio assumptions, Enstar has become the insurance industry's largest standalone insurance run-off consolidator. In 2013, Enstar expanded operations into live risk underwriting, including Lloyd's and specialty insurance. In 2016, Enstar launched its own Bermuda reinsurance company Startstone. In November 2020, Core Specialty Insurance Holdings, Inc. (Core Specialty) completed its \$610m recapitalization of StarStone U.S. Holdings, Inc. (StarStone U.S.). The recapitalization was led by Investors (SkyKnight Capital, L.P., Dragoneer Investment Group and Aquiline Capital Partners LLC.), with an additional equity of \$60m from management and other investors. SkyKnight and Dragoneer have beneficial ownership of approximately 27% each, Enstar 25%, Aquiline 11%, management and Directors 6% and other investors 4%. Enstar Group Limited has received a combination of cash consideration and shares in Core Specialty as part of the recapitalization. For the years 2019 through 2022, AM Best rated the group "A-" including Starstone Specialty and assigned the financial size of XI (\$750m to \$1bn).

SUBSEQUENT NOTE WORTHY OBSERVATIONS