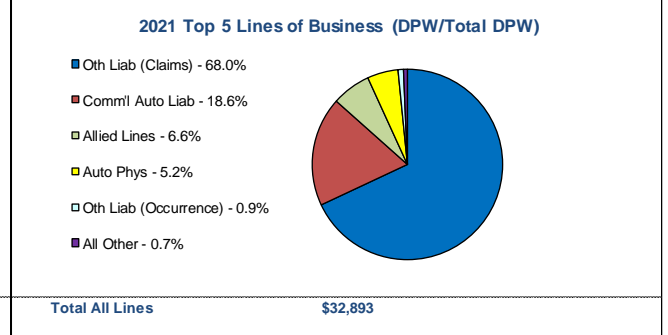
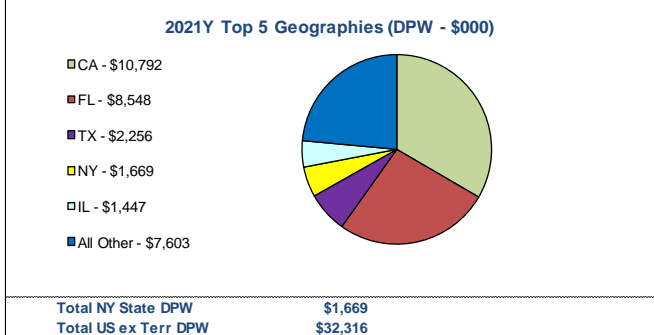
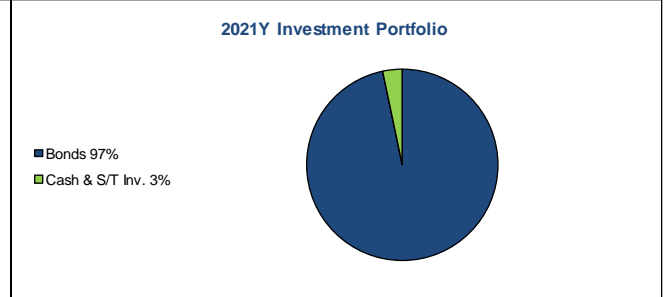
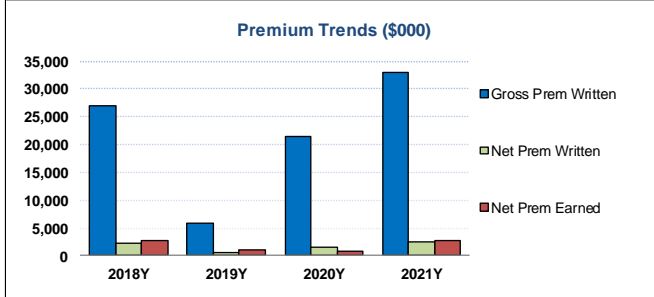
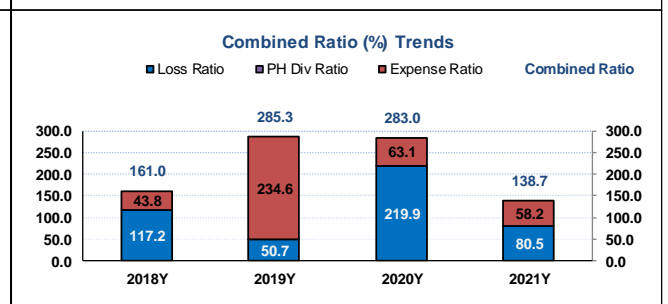
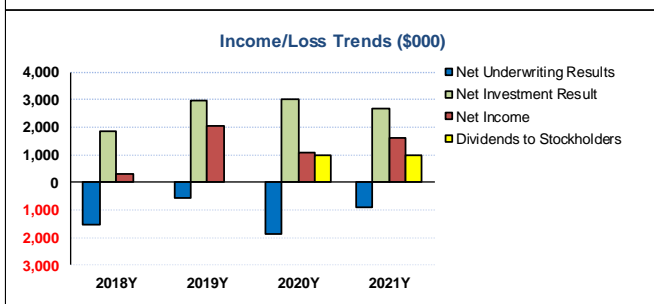




**FAIR AMERICAN SELECT INSURANCE COMPANY, NAIC #15201  
ALLEGHANY CORPORATION**

Dollars in 000

	2018Y	2019Y	2020Y	2021Y		2018Y	2019Y	2020Y	2021Y
Total Assets	107,979	110,365	110,333	112,136	RBC Ratio (%)	2,861.8	13,323.4	18,614.1	12,366.7
Total Liabilities	4,960	5,280	5,142	6,309	2yr Res Development	599	1,876	769	1,315
Policyholder Surplus	103,019	105,084	105,191	105,827	2yr Dev/ Surplus	58.0%	182.5%	74.6%	125.1%
Cash & Invested Assets	104,017	106,922	105,048	108,194	Affiliated Common Stock	0	0	0	0
Cash & Invested Assets/ Total Assets	96.3%	96.9%	95.2%	96.5%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	-2,492	2,806	-181	3,239	Net Reins Recoverable	44,445	26,933	39,965	52,882
Loss & LAE Reserves	3,296	2,436	2,509	3,564	Net Reins Rec / Surplus	43.1%	25.6%	38.0%	50.0%
Loss & LAE Reserves/Surplus	3.2%	2.3%	2.4%	3.4%	AMB / S&P Ratings	A+ / NR	A+ / NR	A+ / NR	A+ / NR



**Top 5 Reinsurers for Fair American Select Ins Co. by Gross Recoverables  
Period: 2021Y**

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Allied World Insurance Company	US Affiliated Pooling	Authorized	711,600	0
2 - Allied World Assurance Company, Ltd.	Non-US Affiliated Non-captive	Mixed Filing	449,273	0
3 - Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München	Non-US Unaffiliated	Unauthorized	73,465	0
4 - Swiss Reinsurance America Corporation	US Unaffiliated	Authorized	73,361	0
5 - AXIS Reinsurance Company	US Unaffiliated	Authorized	45,041	0

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## ULTIMATE PARENT – Alleghany Corporation

Corporate Profile		Financial Strength Ratings	
Address:	Alleghany Corporation 1411 Broadway New York, NY, 10018	S&P Global:	-
Website:	<a href="http://www.alleghany.com">www.alleghany.com</a>	Moody's:	-
President :	Joseph Patrick Brandon	Fitch:	-
Ticker Symbol:	NYSE: Y	AM Best - P&C:	-
2021 Form 10-K:	<a href="#">SEC Website</a>		

Highlights (\$000)	2018Y	2019Y	2020Y	2021Y
Total Assets	25,344,896	26,931,604	28,927,010	32,268,675
Total Policy Reserves	14,517,372	14,494,529	15,954,686	17,537,148
Total Debt	1,669,039	1,992,213	2,391,446	3,115,699
Total Other Liabilities	1,127,346	1,274,976	1,339,418	1,731,740
Sep Account Liabilities	0	0	0	0
Total Liabilities	17,482,424	17,950,117	19,937,481	22,764,447
<b>Total Equity</b>	<b>7,692,710</b>	<b>8,776,734</b>	<b>8,755,720</b>	<b>9,186,882</b>
Total Liab & Equity	25,175,134	26,726,851	28,693,201	31,951,329
Book Value / Share (\$)	527.75	611.00	623.57	675.58
Reserves / Investments & Cash (x)	0.78	0.72	0.76	0.77
Reserves / Liabilities (x)	0.83	0.81	0.80	0.77
Reserves / Equity (x)	1.89	1.65	1.82	1.91
Debt / Equity (x)	0.22	0.23	0.27	0.34
Dec. 31 Closing Price (\$)	623.32	799.57	603.69	667.59
Net Income (\$)	54,654	890,201	126,883	1,130,778
Basic EPS (\$)	2.62	59.44	7.14	74.70
Investment Yield (%)	1.38	6.35	1.88	5.11
Ratios (%)				
Loss Ratio	70.70	67.30	72.30	68.10
Expense Ratio	32.50	32.10	29.80	29.10
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	103.20	99.40	102.10	97.20

### Company Description and Notes

Industries: Property and Casualty Insurance, Reinsurance, Insurance Services, Claims Management and Associated Asset Management

Geography: The Americas and Caribbean, Britain, European Union

## HISTORY

Fair American Select Insurance Company (Fair American Select) was incorporated in the State of Delaware in October 2012. Financial control remains under Alleghany Corporation. The company has been eligible to write surplus lines business in New York since February 28, 2014. As of December 31, 2021, Fair American Select is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in forty-nine (49) states and the District of Columbia.

## REINSURANCE

Fair American Select maintains a net 90% quota share agreement with an affiliate, Transatlantic Reinsurance Company. Since Fair American Select retains 10% of its underwriting risk, the risk of financial impairment is largely limited to credit risk exposure to its 90% reinsurer as well as risk from its investment portfolio. For the years 2018 through 2021, respectively, Fair American Select net reinsurance recoverable totaled \$44M, \$27M, \$40M and \$52M, representing 43%, 26% and 38% and 50% of company surplus.

## HOLDING COMPANY

Founded in 1929 with headquarters in New York, NY, Alleghany Corporation is an investment holding company focused on the business of property and casualty, surety and fidelity insurance. Alleghany's property and casualty subsidiaries include: Transatlantic Holdings, Inc., a leading global reinsurer; RSUI Group, Inc., which underwrites wholesale specialty insurance coverages including property, casualty, professional liability and directors' and officers' liability; and CapSpecialty, Inc., an underwriter of commercial property, casualty and surety insurance coverages. AM Best collectively rates eighteen (18) insurance subsidiaries of the Alleghany Ins. Group, including Fair American Select Insurance Company. For the years 2018 through 2021, the group was rated by AM Best as 'A+' and assigned the financial size of XV (\$2bn - >).

## SUBSEQUENT NOTEWORTHY OBSERVATIONS

### **Berkshire/Alleghany:**

**On October 19, 2022, Berkshire Hathaway Inc. completed its acquisition of Alleghany Corporation. Alleghany common stockholders are entitled to receive \$848.02 per share in cash, representing a total equity value of approximately \$11.6B. The deal was announced in March 2022.**

### **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.