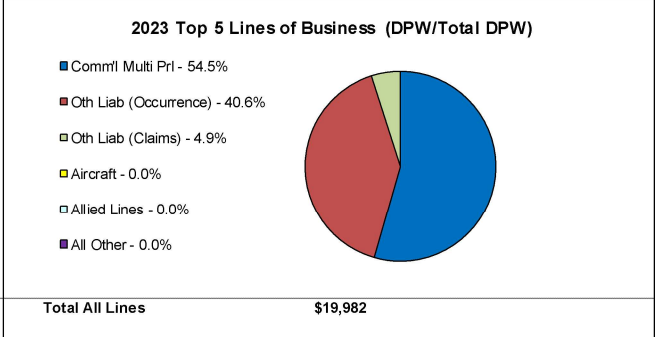
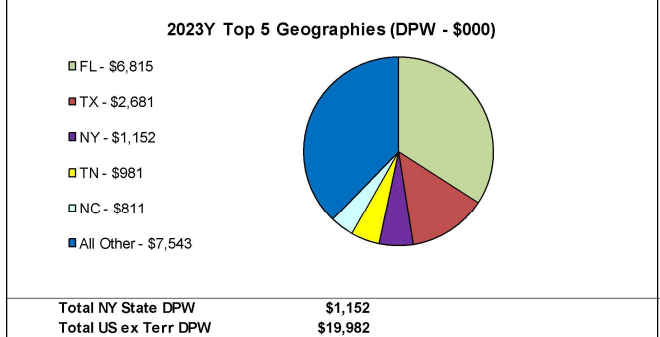
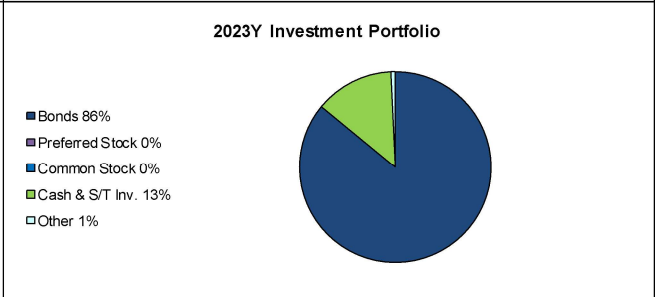
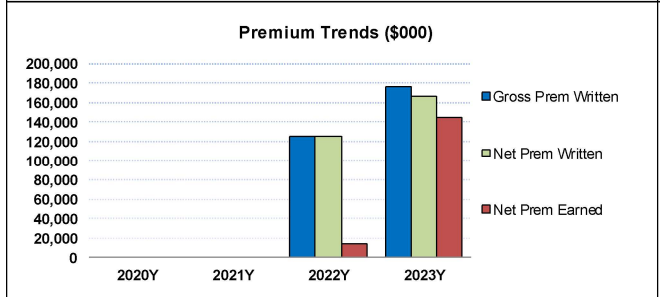
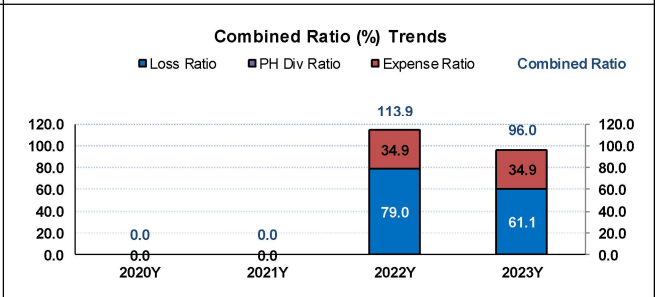
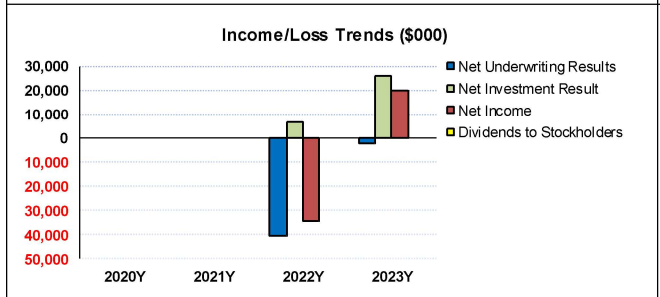




PALMS SPECIALTY INSURANCE COMPANY, INC NAIC #17327
PARENT – NextEra Energy, Inc

Dollars in 000

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	NA	NA	597,177	738,791	RBC Ratio (%)	NA	NA	3,286.9	1,607.2
Total Liabilities	NA	NA	124,127	247,350	2yr Res Development	NA	NA	0	0
Policyholder Surplus	NA	NA	473,050	491,441	2yr Dev / Surplus	NA	NA	NA	NA
Cash & Invested Assets	NA	NA	505,808	672,079	Affiliated Common Stock	NA	NA	0	0
Cash & Invested Assets / Total Assets	NA	NA	84.7%	91.0%	Affiliated CS / Surplus	NA	NA	0.0%	0.0%
Net Cash from Operations	NA	NA	4,244	165,744	Net Reins Recoverable	NA	NA	0	2,112
Loss & LAE Reserves	NA	NA	11,693	91,995	Net Reins Rec / Surplus	NA	NA	0.0%	0.4%
Loss & LAE Reserves/Surplus	NA	NA	2.5%	18.7%	AMB / S&P Ratings			A- / NR	A- / NR



TOP 5 REINSURERS FOR PALMS SPECIALTY INSURANCE CO. BY GROSS RECOVERABLES

PERIOD: 2023Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - General Reinsurance Corporation	US Unaffiliated	Authorized	2,083	0
2 - Toa Reinsurance Company of America	US Unaffiliated	Authorized	1,871	0
3 - Canopus US Insurance, Inc.	US Unaffiliated	Authorized	1,292	0
4 - SiriusPoint America Insurance Company	US Unaffiliated	Authorized	969	0
5 - Lloyd's Syndicate - 1084 (Chaucer Syndicates Limited)	Non-US Unaffiliated	Authorized	468	0

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.

See A.M. Best and S&P Disclaimer on Summary Report page.

ULTIMATE PARENT – NextEra Energy, Inc

Corporate Profile		Financial Strength Ratings
Address:	NextEra Energy, Inc. 700 Universe Boulevard Juno Beach, FL, 33408	S&P Global: - Moody's: #OUTSIDE SUBSCRIPTION Fitch: - AM Best - P&C: -
Website:	www.nexteraenergy.com	
President :	John W. Ketchum	
Ticker Symbol:	NYSE: NEE	
SEC Filing:	10-K	

Highlights (\$000)	2020Y	2021Y	2022Y	2023Y
Total Assets	127,684,000	140,912,000	158,935,000	177,489,000
Total Policy Reserves	NA	NA	NA	NA
Total Debt	48,756,000	55,582,000	65,741,000	74,067,000
Total Other Liabilities	NA	NA	NA	NA
Sep Account Liabilities	NA	NA	NA	NA
Total Liabilities	82,755,000	95,243,000	109,499,000	118,465,000
Total Equity	44,929,000	45,424,000	48,326,000	57,768,000
Total Liab & Equity	127,684,000	140,667,000	157,825,000	176,233,000
Book Value / Share (\$)	18.63	18.95	19.74	23.13
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	NA	NA	NA	NA
Reserves / Equity (x)	NA	NA	NA	NA
Debt / Equity (x)	1.09	1.22	1.36	1.28
Dec. 31 Closing Price (\$)	77.15	93.36	83.60	60.74
Net Income (\$)	2,369,000	2,827,000	3,246,000	6,282,000
Basic EPS (\$)	1.49	1.82	2.10	3.61
Investment Yield (%)	NA	NA	NA	NA
Ratios (%)				
Loss Ratio	NA	NA	NA	NA
Expense Ratio	NA	NA	NA	NA
PH Dividend Ratio	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>
Combined Ratio	NA	NA	NA	NA

HISTORY

Palms Specialty Insurance Company, Inc. (Palms Specialty) was organized on February 28, 2022, under the laws of the State of Delaware. It received its certificate of authority on July 7, 2023, as a domestic surplus lines insurer and commenced operation in late 2022. Palms Specialty is a member of an insurance holding system and a wholly owned subsidiary of Palms Portfolio Holdings, LLC, a Delaware company, which is a wholly owned subsidiary of NextEra Energy Capital Holdings, Inc., itself a wholly owned subsidiary of NextEra Energy, Inc. (NEE), which is the ultimate controlling entity of the Company. As of December 31, 2023, the company is a Delaware domestic surplus line carrier and an eligible non-admitted carrier in all fifty (50) states and the District of Columbia.

REINSURANCE

Palms Specialty engages reinsurers where it is strategically prudent, allowing for the deployment of increased gross limits to secure strong partnerships with high-performing MGAs while maintaining low net limits via highly rated reinsurance counterparties. Palms Specialty's core reinsurance strategy will be centered around controlling volatility and maximizing its influence on programs. Initially, it focused on quota share reinsurance strategy with forecasted catastrophe excess of loss starting in year three as the portfolio's size and volatility reached appropriate limits. The Company's reinsurance is provided by non-affiliated reinsurers and net recovery was not materially significant. For the years 2022 and 2023 net recoverable did not exceed 1% of company surplus.

HOLDING COMPANY

NEE was founded in 1925 and is headquartered in Juno Beach, Florida. It was formerly FPL Group, Inc. and changed its name to its current name in 2010. NEE is a non-insurance holding company that owns electric companies, Florida Power and Light Company (FPL), one of the U.S. largest electric utilities and Gulf Power Company (Gulf), a rate-regulated utility company operating in northeast Florida. FPL and Gulf merged in 2021, with FPL as the surviving entity. Through its subsidiaries, NEE generates, transmits, distributes, and sells electric power to retail and wholesale customers in North America. The Company generates electricity through wind, solar, nuclear, and fossil fuels, such as coal and natural gas. It owns, constructs, manages, and operates electric generation facilities in wholesale energy markets. NEE also owns a competitive energy business, NextEra Energy Resources, LLC, one of the world's renewable energy generators and an indirect parent of Palms Insurance Company, a Cayman Islands captive insurer rated 'A' by AM Best. NEE is a publicly traded company listed on the New York Stock Exchange under the symbol [NYSE: NEE]. NEE is rated A- by S&P.

SUBSEQUENT NOTEWORTHY OBSERVATIONS

Last revised: May 2024

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Please see "Understanding Best's Credit Ratings" at <http://www.ambest.com/ratings> for rating disclosures related to the use and limitations of Best's Credit Rating, and for additional information regarding the development of a Best's Credit Rating, and other rating-related information and definitions. Best's Credit Ratings® reproduced herein appear under license from A.M. Best and do not constitute, either expressly or impliedly, an endorsement of ELANY or its recommendations, formulas, criteria or comparisons to any other ratings, rating scales or rating organizations which are published or referenced herein. A.M. Best is not responsible for transcription errors made in presenting Best's Credit Ratings®. Best's Credit Ratings® are proprietary and may not be reproduced or distributed without the express written permission of A.M. Best Company.

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Financial Term	Definition
2y Dev/Surplus (IRIS #12)	Reflects the magnitude of two years of loss reserve development in relation to prior reported surplus. A positive ratio indicates the portion of reserves that may have been underestimated in prior years in relation to prior year's surplus. A negative ratio indicates the portion of reserves that may have been overestimated in prior years in relation to prior year's surplus.
2yr Res Development	The two-year increase or decrease in loss and loss adjustment expenses as a result of the re-estimation of reserves. A positive number indicates that reserves may have been underestimated in prior years. A negative number indicates that reserves may have been overestimated in prior years.
Affiliated Common Stock	The amount of common stock owned by the insurer that represents investments in affiliates or subsidiaries.
Affiliated CS / Surplus	The percentage of surplus that is comprised of investments in affiliates or subsidiaries.
AMB / S&P Ratings	Financial strength ratings from AM Best Company and Standard & Poor's. ¹
Cash & Invested Assets	Bonds, stocks, mortgage loans on real estate, real estate, cash related investments, contract loans, invested assets, write-ins and receivable for securities.
Cash & Invested Assets/Total Assets	A measure of liquidity that indicates the portion of assets held in cash or marketable securities.
Combined Ratio	A measure of overall underwriting profitability. It is the sum of the loss and expense ratios. A combined ratio of less than 100% indicates an underwriting profit.
Dividends to Stockholders	Distribution of earnings to stockholders paid in the form of money, stock, scrip, etc. The amount is decided by the board of directors.
DPW – Direct Premiums Written	Premiums written including gross premiums booked, adjusted for additional or return premiums, on policies where the company is the primary or direct carrier, as it relates to a specific line of business.
Expense Ratio	The ratio of underwriting expenses to net premiums written. The ratio represents the percentage of net premiums written that went toward underwriting expenses, such as commissions to agents and brokers, state and municipal taxes, salaries, employee benefits and other operating costs.
Gross Premiums	The total premium written and assumed by an insurer before deductions for reinsurance.
Loss & LAE Reserves	The estimated liability for unpaid insurance claims that have occurred as of a given evaluation date. Usually includes losses incurred but not reported (IBNR), losses due but not yet paid, and amounts not yet due. For individual claims, the loss reserve is the estimate of what will ultimately be paid out on that claim.
Loss & LAE Reserves/Surplus	Loss and loss adjustment expense reserves as a percentage of policyholders' surplus. The higher the value, the greater the insurer's reserve leverage and the greater the financial pressure on surplus.
Loss Ratio	The ratio of incurred losses and loss adjustment expenses to net premiums earned. A measure of the underlying profitability, or loss experience, of a total book of business.
Net Cash from Operations	Indicates net cash generated from insurance operations, including underwriting and investment activities, after accounting for dividends and taxes paid.
Net Income	The total after-tax earnings generated from operations as reported in the insurance company's statutory annual statement.
Net Investment Result	The return received by insurers from their investment portfolios including interest, dividends and realized capital gains/losses on stocks.
Net Premiums Earned	The portion of net premiums written that the policyholder has already paid and for which the insurance company has already afforded coverage.
Net Premiums Written	Represents gross premium written less reinsurance ceded.

Financial Term	Definition
Net Reins Rec / Surplus	Measures the dependence on reinsurers and potential exposure to adjustments on such reinsurance as a percentage of surplus.
Net Reins Recoverable	The total ceded reinsurance recoverables due for paid losses, unpaid losses, losses incurred but not reported (IBNR), unearned premiums and commissions less funds held from reinsurers.
Net Underwriting Results	Net premiums earned less incurred losses, loss adjustment expenses, and underwriting expenses incurred.
PH Div Ratio	A return of premium to policyholders based upon financial results of the company and lower-than-expected claims. Usually paid by mutual companies
Policyholder Surplus	The difference between total admitted assets and total liabilities. It also is the sum of paid in capital, paid in and contributed surplus, and net earned surplus, including voluntary contingency reserves. As of January 1, 2019, the minimum policyholder surplus requirement for eligible insurers in New York is \$47 million.
RBC Ratio (%)	<p>This ratio identifies the insurers that are inadequately capitalized by dividing total adjusted capital by the minimum amount of capital that regulatory authorities feel is necessary to support their operations and investments.</p> <p>A ratio of 200% or more results in “no action” from regulators. However, insurers whose ratio is between 200% and 300% may be subject to the Property/Casualty trend test, which will trigger a “Company Action Level” event if the insurer’s combined ratio is greater than 120%.</p> <p>A ratio of 150% to 200% results in a “Company Action Level”, under which the insurer must prepare a report to the regulator outlining a comprehensive action plan that identifies the conditions that contributed to their current financial condition as well as remediation plans.</p> <p>A ratio of 100% to 150% results in a “Regulatory Action Level”. In addition to the insurer filing an action plan, the state insurance commissioner is required to perform any examinations or analyses that he or she deems necessary and issue appropriate corrective orders to address the insurer’s financial problems.</p> <p>A ratio below 100% triggers an “Authorized Control Level” or “Mandatory Control Level”, under which the regulator can take steps to place the insurer under its control.</p>
Total Assets	Assets that are permitted by state law to be included in the company’s financial statements. Admitted assets generally include assets that are liquid and whose value can be objectively assessed, or receivables that can reasonably be expected to be paid.
Total Liabilities	A summation of all company obligations recognized on the balance sheet. This includes provisions for loss and unearned premium reserves, commissions payable and other balances due.

¹ AM Best - A Best’s Financial Strength Rating is an independent opinion of an insurer’s financial strength and ability to meet its ongoing insurance policy and contract obligations. It is not a warranty of a company’s financial strength and ability to meet its obligations to policyholders. “View our “Guide Best’s Credit Ratings” for rating disclosures related to the use and limitations of Best’s Credit Rating, and for additional information regarding the development of a Best’s Credit Rating, and other rating-related information and definitions. <https://web.ambest.com/home>

¹S&P - Please see “Intro to Credit Ratings” at <http://www.spglobal.com/understandingratings> to learn more.