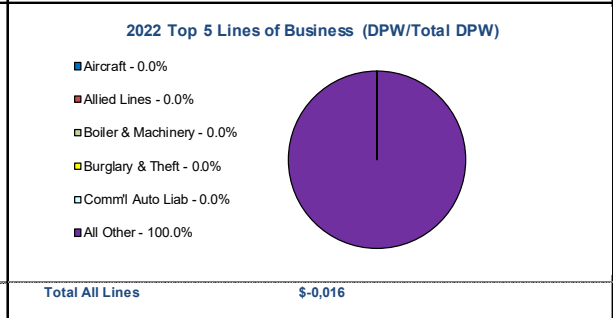
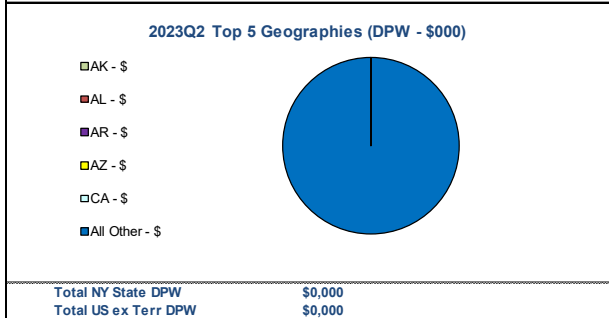
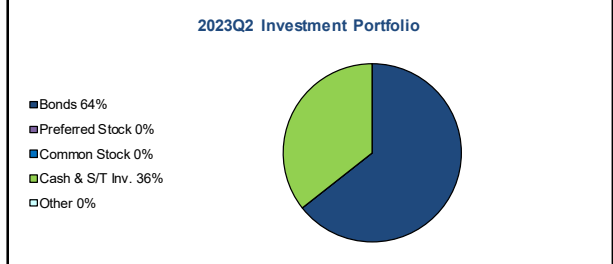
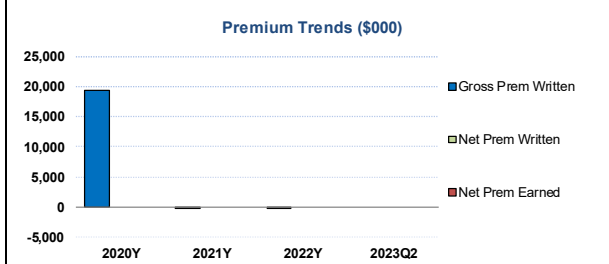
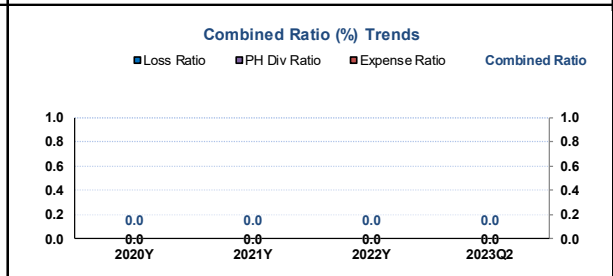
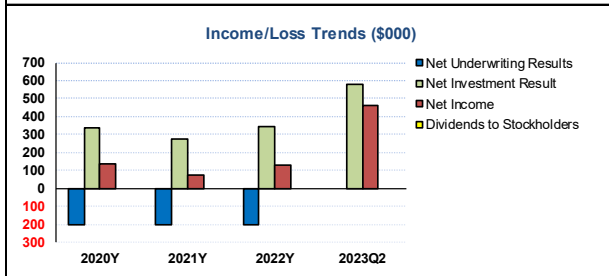




**SIERRA SPECIALTY INSURANCE COMPANY, NAIC #19208  
AMTRUST FINANCIAL SERVICES, INC**

Dollars in 000

	2020Y	2021Y	2022Y	2023Q2		2020Y	2021Y	2022Y	2023Q2
Total Assets	13,340	13,754	48,862	50,575	RBC Ratio (%)	11,126.0	3,249.8	6,837.6	0.0
Total Liabilities	269	632	610	1,357	2yr Res Development	0	0	0	0
Policyholder Surplus	13,071	13,123	48,252	49,218	2yr Dev / Surplus	0.0%	0.0%	0.0%	0.0%
Cash & Invested Assets	12,916	13,151	48,571	49,376	Affiliated Common Stck	0	0	0	0
Cash & Invested Assets / Total Assets	96.8%	95.6%	99.4%	97.6%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	-409	-53	453	391	Net Reins Recoverable	25,688	12,874	6,687	0
Loss & LAE Reserves	0	0	0	0	Net Reins Rec / Surplus	196.5%	98.1%	13.9%	0.0%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	0.0%	AMB / S&P Ratings	A- / NR	A- / NR	A- / NR	A- / NR



Total NY State DPW	\$0,000
Total US ex Terr DPW	\$0,000

Total All Lines	\$-0,016
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**Top 5 Reinsurers for Sierra Specialty Ins Co. by Gross Recoverables**

Period: 2022Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Republic Underwriters Insurance Company	US Affiliated Non-captive Non-pooling	Authorized	6,687	0
2 -	-	-	-	-
3 -	-	-	-	-
4 -	-	-	-	-
5 -	-	-	-	-

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## **HISTORY**

Sierra Specialty Insurance Company (Sierra Specialty), formerly Republic Lloyds, was formed as a Texas Lloyds Plan on April 1, 1954, and licensed on April 29, 1954, to transact business as a property and casualty (P&C) insurer. Effective June 5, 2023, Republic Lloyds was reorganized as a Texas domestic stock surplus lines company and changed its name to its current name. The direct parent company of Sierra Specialty is Republic Diversified Services, Inc. (RDSI), which is a wholly owned subsidiary of Republic Underwriters Insurance Company (RUIC), domiciled in Texas. Sierra Specialty is part of an insurance holding company system owned and controlled by AmTrust. The Company is currently licensed as an admitted insurer in Louisiana and Texas.

In April 2016, Delaware domiciled Republic Group of Companies, Inc. (Republic Companies), and its Texas domestic affiliates, including Republic Lloyds, were purchased by AmTrust, a Delaware corporation, (through four separate stock purchase agreements) with Republic Companies' stockholders, and approved by the Texas Department of Insurance in March 2016. Upon acquisition, Lloyds primarily wrote homeowners' and farm owners' insurance businesses in Texas. In 2020, AmTrust sold its personal lines book of business and exited the farm owners' insurance market. As a result, Sierra Specialty ceased writing new business and has subsequently been handling the related runoff.

## **REINSURANCE**

Sierra Specialty is a party to an amended intercompany pooling agreement with thirteen (13) affiliates, with Technology Insurance Company, Inc. (TIC), as the pool lead retaining 58%. Sierra Specialty cedes 100% of its business to TIC but does not receive a share of the pool's combined results. TIC retrocedes a percentage of the pooled business back to three of the ceding companies: 22% to Wesco Insurance Company, 12% to Security National Insurance Company and 8% to Developers Surety and Indemnity Company. Due to the pooling agreement, no values will be reported for net premiums written, net premiums earned, underwriting income, and the various combined ratio trends. As such, the financial strength of the Company will be heavily dependent upon the credit risk of AmTrust as well as the investment risk of its own investment portfolio, managed in common by AmTrust.

## **HOLDING COMPANY**

Founded in 1998 by brothers George and Michael Karfunkel with headquarters in New York, New York, AmTrust Financial Services, Inc., is a U.S. holding company which owns and operates through 22 U.S. insurance companies, including Sierra Specialty. Five of these insurers are admitted in all 50 states and the District of Columbia. A sixth insurer is admitted in 49 states and the District of Columbia with its application for California admission pending. AmTrust operates as a commercial insurer, specialty risk insurer, Bermuda reinsurer and a global provider of warranty products with over 7,000 employees serving 70 countries. AmTrust, a public company before November 2018, completed a go-private transaction and was voluntarily delisted in January 2019 from the New York Stock Exchange. The go-private transaction was accomplished with Evergreen Parent, L.P., itself owned by private equity company Stone Point Capital, holding approximately 45% of AmTrust and members of the Karfunkel family holding approximately 55% of AmTrust. For the years 2019 through 2022, respectively, the group was rated by AM Best as 'A-' and assigned the financial size of XV (\$2B or greater).

Revised November 2023

## **SUBSEQUENT NOTEWORTHY OBSERVATIONS**

### **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.