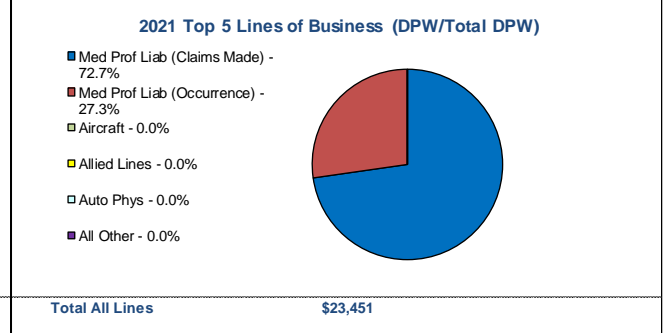
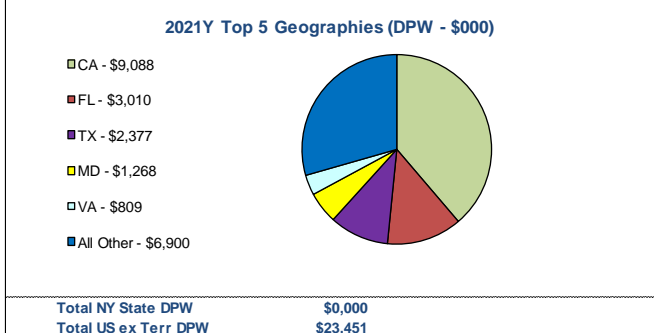
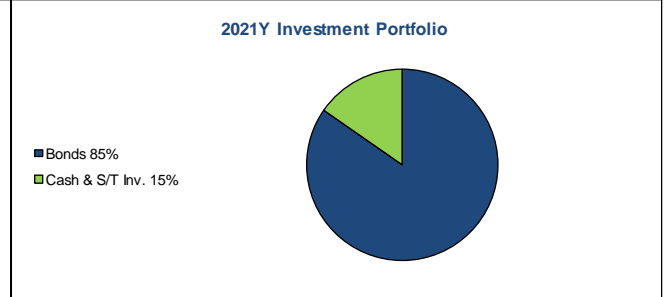
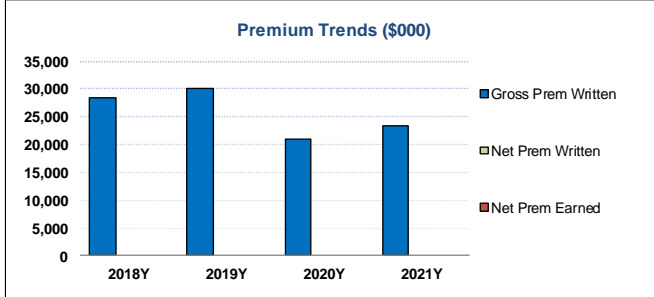
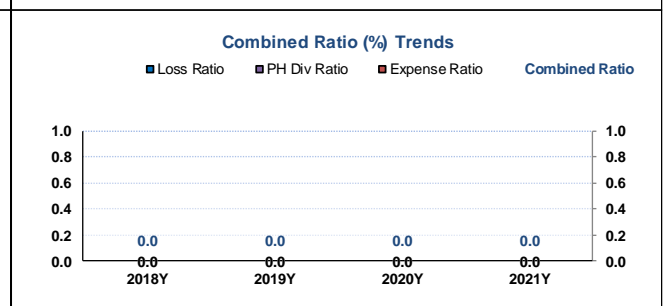
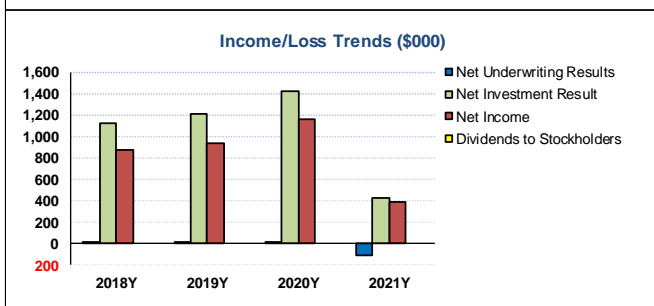




**NORCAL SPECIALTY INSURANCE COMPANY, NAIC #35114
NORCAL MUTUAL INSURANCE COMPANY**

Dollars in 000

| | 2018Y | 2019Y | 2020Y | 2021Y | | 2018Y | 2019Y | 2020Y | 2021Y |
|--------------------------------------|--------|--------|--------|--------|-------------------------|----------|----------|----------|----------|
| Total Assets | 54,572 | 56,866 | 61,383 | 64,977 | RBC Ratio (%) | 13,254.7 | 10,679.0 | 10,841.6 | 5,639.7 |
| Total Liabilities | 5,067 | 5,890 | 9,747 | 11,614 | 2yr Res Development | 0 | 0 | 0 | 0 |
| Policyholder Surplus | 49,505 | 50,977 | 51,636 | 53,363 | 2yr Dev/ Surplus | 0.0% | 0.0% | 0.0% | 0.0% |
| Cash & Invested Assets | 49,806 | 51,302 | 58,355 | 60,369 | Affiliated Common Stck | 0 | 0 | 0 | 0 |
| Cash & Invested Assets/ Total Assets | 91.3% | 90.2% | 95.1% | 92.9% | Affiliated CS / Surplus | 0.0% | 0.0% | 0.0% | 0.0% |
| Net Cash from Operations | -8,296 | 1,257 | 6,127 | 1,087 | Net Reins Recoverable | 60,809 | 100,217 | 97,967 | 107,071 |
| Loss & LAE Reserves | 3,799 | 5,942 | 5,027 | 4,899 | Net Reins Rec / Surplus | 122.8% | 196.6% | 189.7% | 200.6% |
| Loss & LAE Reserves/Surplus | 7.7% | 11.7% | 9.7% | 9.2% | AMB / S&P Ratings | A / NR | A-u / NR | A-u / NR | A-u / NR |



**Top 5 Reinsurers for NORCAL Specialty Insurance 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 – ProAssurance Corporation

| Corporate Profile | | Financial Strength Ratings | |
|-------------------|--|----------------------------|---|
| Address: | ProAssurance Corporation 100 Brookwood Place Birmingham, AL, 35209 | S&P Global: | - |
| Website: | www.proassurance.com | Moody's: | - |
| President : | Edward Lewis Rand Jr. | Fitch: | - |
| Ticker Symbol: | NYSE: PRA | AM Best - P&C: | - |
| 2021 Form 10-K: | SEC Website | | |

| Highlights (\$000) | 2018Y | 2019Y | 2020Y | 2021Y |
|-----------------------------------|------------------|------------------|------------------|------------------|
| Total Assets | 4,600,726 | 4,805,599 | 4,654,803 | 6,191,477 |
| Total Policy Reserves | 2,535,058 | 2,759,612 | 2,778,726 | 4,013,901 |
| Total Debt | 287,757 | 307,872 | 304,829 | 445,830 |
| Total Other Liabilities | 199,295 | 173,256 | 182,039 | 280,732 |
| Sep Account Liabilities | 0 | 0 | 0 | 0 |
| Total Liabilities | 3,077,724 | 3,293,686 | 3,305,593 | 4,763,090 |
| Total Equity | 1,523,002 | 1,511,913 | 1,349,210 | 1,428,387 |
| Total Liab & Equity | 4,600,726 | 4,805,599 | 4,654,803 | 6,191,477 |
| Book Value / Share (\$) | 28.39 | 28.11 | 25.04 | 26.46 |
| Reserves / Investments & Cash (x) | 0.74 | 0.77 | 0.77 | 0.81 |
| Reserves / Liabilities (x) | 0.82 | 0.84 | 0.84 | 0.84 |
| Reserves / Equity (x) | 1.66 | 1.83 | 2.06 | 2.81 |
| Debt / Equity (x) | 0.19 | 0.20 | 0.23 | 0.31 |
| Dec. 31 Closing Price (\$) | 40.56 | 36.14 | 17.79 | 25.30 |
| Net Income (\$) | 47,057 | 1,004 | -175,727 | 144,124 |
| Basic EPS (\$) | 0.88 | 0.02 | -3.26 | 2.67 |
| Investment Yield (%) | 1.63 | 4.05 | 2.14 | 3.20 |
| Ratios (%) | | | | |
| Loss Ratio | 72.40 | 89.00 | 83.40 | 77.40 |
| Expense Ratio | 29.10 | 29.80 | 30.00 | 27.60 |
| PH Dividend Ratio | 0.00 | 0.00 | 0.00 | 0.00 |
| Combined Ratio | 101.50 | 118.80 | 113.40 | 105.00 |

Company Description and Notes

Industries: Medical Professional Liability Insurance to Healthcare Professionals, Healthcare Practices, Hospitals, Clinics, Medical Groups, Staffing Agencies, and Specialty Coverage for Complex Needs and Special accounts

Geography: United States

HISTORY

NORCAL Specialty Insurance Company (NORCAL Specialty) was incorporated in the State of Pennsylvania in June 1976 as the Pennsylvania Medical Society Liability Insurance Company. Financial control has been under NORCAL Mutual Insurance Company (NORCAL Mutual) since December 2000. The company adopted the name PMLSIC Insurance Company in January 2005. The company re-domesticated to the state of Texas as a domestic surplus lines insurer and changed its name to NORCAL Specialty Insurance Company in December 2016. In February 2020, NORCAL announced the signing of a definitive agreement under which all companies of the Group would become a part of ProAssurance Corporation following its demutualization. The company has been eligible to write surplus lines business in New York since November 8, 2013. As of December 31, 2021, NORCAL Specialty Insurance Company is licensed in Texas as a domestic surplus lines insurer and operated on a non-admitted basis in forty-nine (49) states and the District of Columbia.

REINSURANCE

NORCAL Specialty cedes 100% quota share to its parent, NORCAL Mutual. As a result of this agreement, no values are reported for net premiums written or earned, underwriting income and the various combined ratio trends. As such, the company is heavily dependent on the credit risk of NORCAL Mutual as well as investment risk of its own investment portfolio, managed in common by NORCAL Mutual. For the years 2018 through 2021, respectively, NORCAL Specialty net reinsurance recoverable was shown as \$61M, \$100M, \$98M, and \$107M, representing 123%, 197%, 190% and 201% of company surplus.

HOLDING COMPANY

Founded 1976, in Birmingham, AL as the Mutual Assurance Company, the company was renamed Medical Assurance Company in 1997 and again renamed ProAssurance Corporation in 2001 upon its merger with the Professionals Group. ProAssurance Corporation is specialty insurer with extensive expertise in healthcare professional liability, products liability for medical technology and life sciences, legal professional liability, and workers' compensation insurance. AM Best collectively rates twelve (12) insurance subsidiaries of the ProAssurance group, including ProAssurance Casualty Company. Prior to 2020 the group was rated by AM Best as 'A+' and assigned the financial size of XI (\$750m - \$1bn). The group was downgraded from 'A+' to 'A' in February 2020. The rating was affirmed in 2021.

SUBSEQUENT NOTEWORTHY OBSERVATIONS

Under terms of a previously announced agreement, NORCAL became part of ProAssurance following its demutualization. The acquisition and/or NORCAL becoming part of ProAssurance was completed on May 5, 2021.

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.