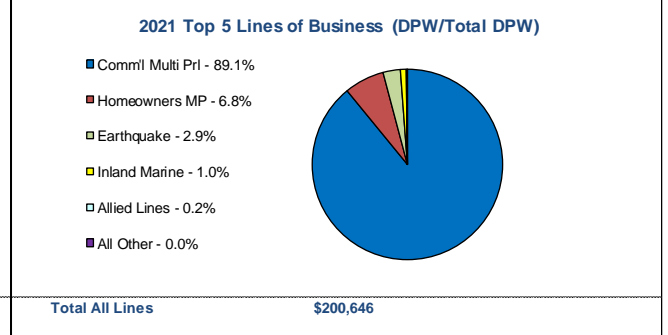
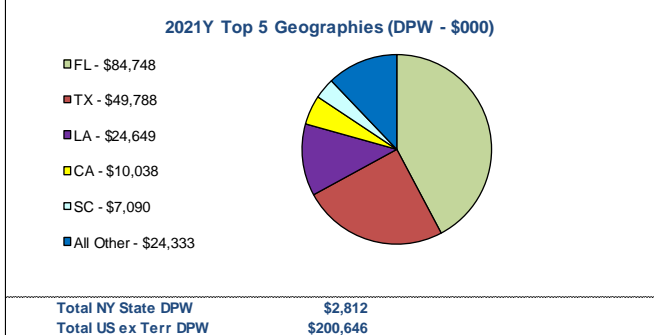
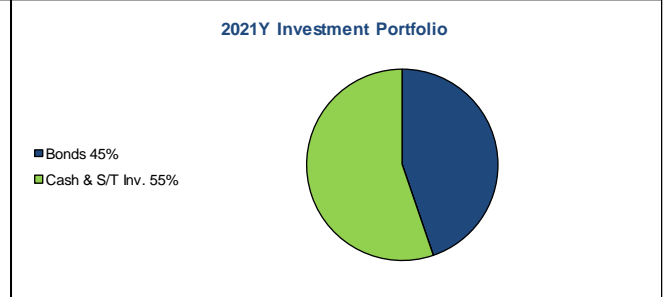
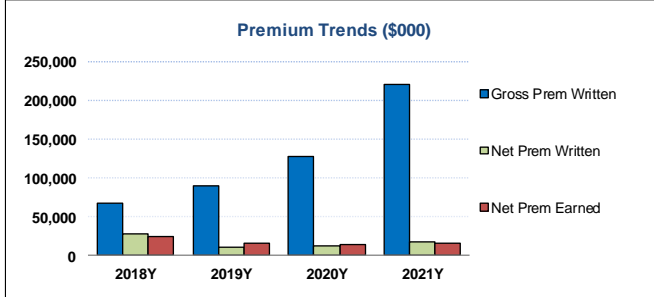
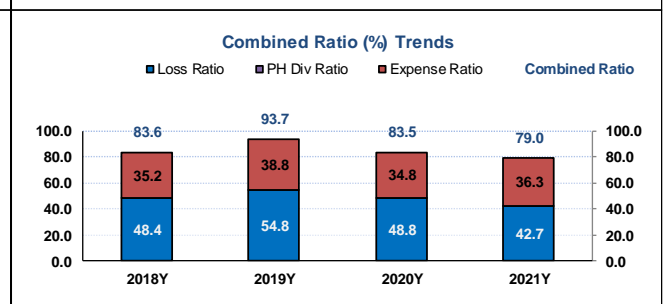
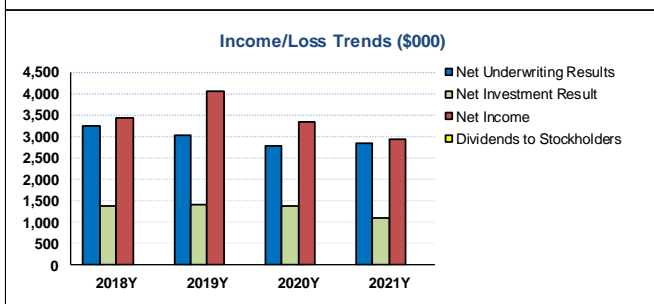




**INDEPENDENT SPECIALTY INSURANCE COMPANY, NAIC #39640  
MARKEL CORPORATION**

Dollars in 000

	2018Y	2019Y	2020Y	2021Y		2018Y	2019Y	2020Y	2021Y
Total Assets	81,096	76,017	77,621	85,827	RBC Ratio (%)	1,011.3	1,079.8	893.1	459.1
Total Liabilities	28,757	20,060	18,270	22,932	2yr Res Development	66	-733	-103	-330
Policyholder Surplus	52,339	55,956	59,351	62,895	2yr Dev/ Surplus	14.0%	-151.3%	-19.7%	-59.0%
Cash & Invested Assets	70,197	67,838	69,631	76,065	Affiliated Common Stock	0	0	0	0
Cash & Invested Assets/ Total Assets	86.6%	89.2%	89.7%	88.6%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	4,724	-2,174	1,593	5,917	Net Reins Recoverable	73,526	111,458	199,888	415,446
Loss & LAE Reserves	2,716	1,652	2,019	2,589	Net Reins Rec / Surplus	140.5%	199.2%	336.8%	660.5%
Loss & LAE Reserves/Surplus	5.2%	3.0%	3.4%	4.1%	AMB / S&P Ratings	A / NR	A / NR	A / NR	A / NR



**Top 5 Reinsurers for Independent Specialty 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 – Markel Corporation

Corporate Profile		Financial Strength Ratings	
Address:	Markel Corporation 4521 Highw oods Parkw ay Glen Allen, VA, 23060	S&P Global:	-
Website:	<a href="http://www.markel.com">www .markel.com</a>	Moody's:	-
President :	-	Fitch:	-
Ticker Symbol:	NYSE: MKL	AM Best - P&C:	-
2021 Form 10-K:	<a href="#">SEC Website</a>		

Highlights (\$000)	2018Y	2019Y	2020Y	2021Y
Total Assets	33,306,263	37,473,815	41,710,054	48,448,866
Total Policy Reserves	18,888,960	19,772,132	21,725,607	24,465,493
Total Debt	3,009,577	3,796,322	4,049,272	4,932,603
Total Other Liabilities	1,687,317	1,788,663	1,888,717	2,464,050
Sep Account Liabilities	0	0	0	0
Total Liabilities	24,031,899	26,217,837	28,649,731	33,269,580
<b>Total Equity</b>	<b>9,100,302</b>	<b>11,078,416</b>	<b>12,814,681</b>	<b>14,717,908</b>
Total Liab & Equity	33,132,201	37,296,253	41,464,412	47,987,488
Book Value / Share (\$)	653.86	802.58	885.67	1,034.56
Reserves / Investments & Cash (x)	0.98	0.89	0.87	0.86
Reserves / Liabilities (x)	0.79	0.75	0.76	0.74
Reserves / Equity (x)	2.08	1.78	1.70	1.66
Debt / Equity (x)	0.33	0.34	0.32	0.34
Dec. 31 Closing Price (\$)	1,038.05	1,143.17	1,033.30	1,234.00
Net Income (\$)	-130,353	1,799,462	831,767	2,447,735
Basic EPS (\$)	-9.55	129.25	55.67	176.92
Investment Yield (%)	-0.02	9.79	4.40	8.80
Ratios (%)				
Loss Ratio	59.86	57.25	61.80	55.10
Expense Ratio	37.72	37.19	36.00	35.30
PH Dividend Ratio	0.42	-0.44	-0.10	-0.10
Combined Ratio	98.00	94.00	97.70	90.30

### Company Description and Notes

Industries: Specialty Property and Casualty Insurance, Insurance Fronting, International Insurance and Reinsurance, Global Quota Share, Excess of Loss and Facultative Reinsurance, Lloyds, Insurance Services, Claims Management, Associated Investment Management, Insurance Securitization Investment Products and Weather Derivatives

Geography: United States, Canada, Latin America, Caribbean UK, EU and Asia Pacific

## HISTORY

Independent Specialty Insurance Company (Independent Specialty) was incorporated in the State of Ohio in April 1959 as Investment Life Insurance Company of America, Inc. As of September 1980, the Company's was owned by American Insurance Company, a wholly-owned subsidiary of Fireman's Fund Insurance Company ("FFIC"). The articles of incorporation were amended under a plan of reorganization and recapitalized, effective as of March 30, 1981, changing the Company's status from that of a life insurer to a property-casualty company with the name Fireman's Fund Insurance Company of Ohio. On January 2, 1991, FFIC and its subsidiaries were sold to Allianz SE. On January 1, 2017, the Company was acquired by United Specialty Insurance Company, a subsidiary of the State National Insurance Company (State National). On January 30, 2017, the Company re-domesticated to Delaware and adopted its current name. On July 26, 2017, the Markel Corporation (Markel) announced its acquisition of State National, completed on November 17, 2017. The company has been eligible to write surplus lines business in New York since December 13, 2017. As of December 31, 2021, Independent Specialty is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in forty-eight (48) states and the District of Columbia.

## REINSURANCE

Independent Specialty participates in an intercompany pooling agreement including seven (7) affiliates, with its upstream parent, State National, pool lead retaining 35%. The company cedes all business to the pool and receives 15% of the combined pool. As such, the financial strength of the company is heavily dependent on the underwriting performance of its fellow pool members, the credit risk of Markel, as well as investment risk of its own investment portfolio, managed in common by Markel. For the years 2018 and 2021, respectively, Independent Specialty net reinsurance recoverable was shown as \$74M, \$111M, \$200M and \$415M, representing 141%, 199%, 337% and 660% of company surplus.

## HOLDING COMPANY

Founded in 1930, in Norfolk, VA, as the Mutual Casualty Company, by Samuel A. Markel to focus on fleet trucking and bus insurance, the company now known Markel Corporation with headquarters in Richmond, VA is a diverse financial holding company serving a variety of niche specialty markets, insurance 'fronting' for other insurance providers through its State National Ins. Division, International insurance and reinsurance offering facultative, quota share and excess of loss coverages. Markel also offers investment management, weather derivatives and a variety of insurance securitization investment products. AM Best collectively rates twenty-two (22) insurance subsidiaries of the Markel Corporation, including Independent Specialty Insurance Company. For the years 2018 through 2021 the group was rated by AM Best and S&P as 'A/A' and assigned the financial size of XV (\$2bn - >).

## 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.