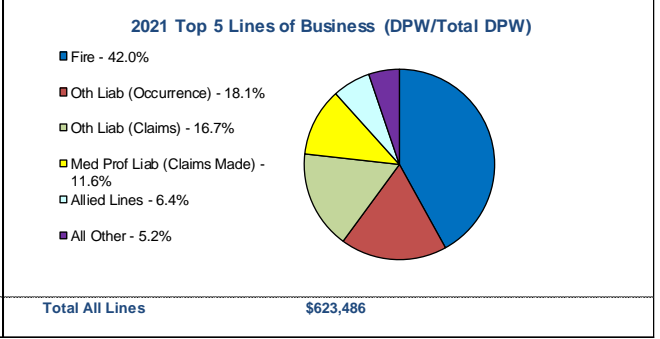
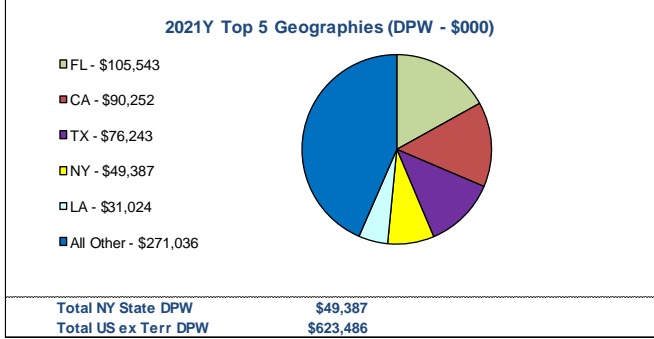
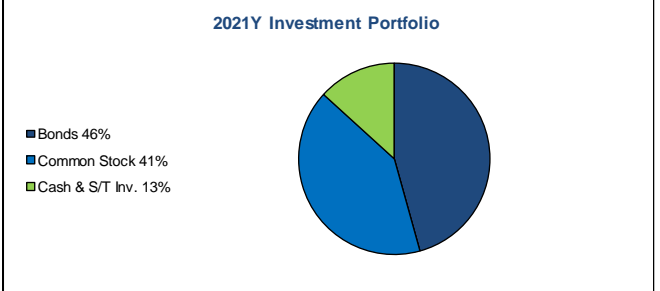
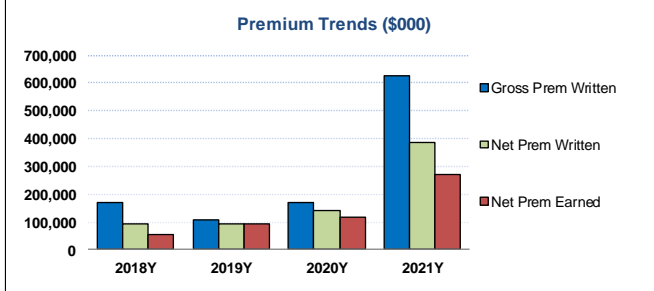
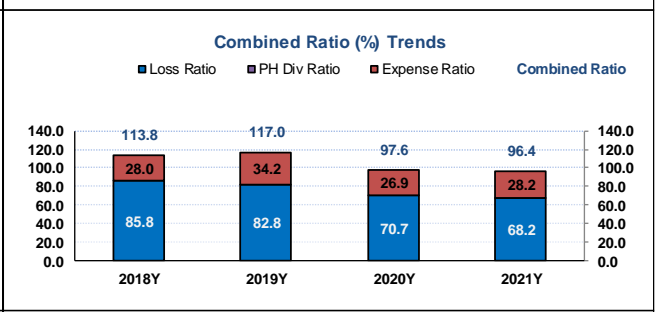
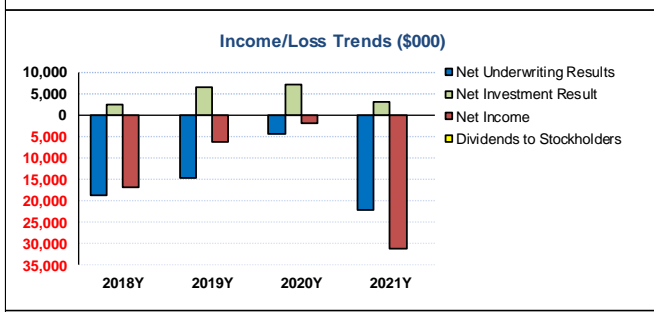




**STARSTONE SPECIALTY INSURANCE COMPANY, NAIC #44776  
CORE SPECIALTY INSURANCE HOLDINGS, INC.**

Dollars in 000

	2018Y	2019Y	2020Y	2021Y		2018Y	2019Y	2020Y	2021Y
Total Assets	348,334	398,528	923,292	1,255,445	RBC Ratio (%)	326.6	294.8	1,098.2	675.6
Total Liabilities	191,371	205,871	132,033	521,601	2yr Res Development	-94	4,154	3,027	-19,921
Policyholder Surplus	156,963	192,657	791,258	733,844	2yr Dev/ Surplus	-8.6%	283.1%	192.8%	-1034.0%
Cash & Invested Assets	312,785	355,219	883,651	1,123,245	Affiliated Common Stock	113,469	134,271	439,652	461,092
Cash & Invested Assets/ Total Assets	89.8%	89.1%	95.7%	89.5%	Affiliated CS / Surplus	72.3%	69.7%	55.6%	62.8%
Net Cash from Operations	30,940	19,917	62,960	294,564	Net Reins Recoverable	174,453	164,039	113,172	233,525
Loss & LAE Reserves	78,799	127,866	165,111	294,862	Net Reins Rec / Surplus	111.1%	85.1%	14.3%	31.8%
Loss & LAE Reserves/Surplus	50.2%	66.4%	20.9%	40.2%	AMB / S&P Ratings	A- / NR	A- / NR	A- / NR	A- / NR



**Top 5 Reinsurers for StarStone 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

**S&P Disclaimer Notice:**

Reproduction of any information, data or material, including ratings ("content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("content providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. In no event shall content providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

## HISTORY

Starstone Specialty Insurance Company (Starstone Specialty) was incorporated in the State of Delaware in August 1991 as BT Insurance Corporation, a subsidiary of Bankers Trust. The company was acquired by Alea Holdings US Company in December 1998 and subsequently changed its name to Rhine Re Insurance, Ltd. The company was renamed Alea North America Reinsurance Company in 2000 and then to Alea North America Specialty Insurance in 2002. In September 2006, the company was acquired by Praetorian Insurance Company, a subsidiary of QBE Insurance Group, Ltd. (Australia) and the name was changed to Praetorian Specialty Insurance Company. The company was acquired by Torus Insurance Holdings, Ltd. (Bermuda) in February 2009 and the name was changed to Torus Specialty Insurance Company. In April 2014, the company was acquired by Enstar Group Ltd. (Enstar) (Bermuda) (59%), Stone Point Capital, LLC (39.3%) and Dowling Capital Partners (1.7%). The company adopted its current name in 2015. The company has been eligible to write surplus lines business in New York since January 15, 2004. As of December 31, 2021, Starstone Specialty is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in forty-nine (49) states, the District of Columbia, Guam, and Puerto Rico.

## REINSURANCE

Starstone Specialty has a quota share reinsurance agreement with its up-stream parent, Starstone Insurance, Ltd (Starstone) (Bermuda), to cede 65% of its net retained business. Also, the company cedes on a quota share basis 35% of its premiums and losses to Kayla Re Ltd (Bermuda), an affiliate. The company has also entered into a continuous aggregate XOL reinsurance agreement with Starstone against significant cumulative calendar year loss ratios between 80% and 160%. For the years 2018 through 2021, respectively, Starstone Specialty net reinsurance recoverable was shown as \$174M, \$164M, \$113M and \$233M, representing 111%, 85%, 14% and 32% of company surplus.

## HOLDING COMPANY - [Website](#)

Private holdings company see below for more reference.

With roots dating to 1993, in Bermuda, with the founding of Castlewood, Ltd., its founding partners then formed Enstar in 2001 and merged the two companies in 2007, with Enstar the surviving name. Created through acquisitions and merger of more than 100 legacy insurance companies and legacy insurance portfolio assumptions, Enstar has become the insurance industry's largest standalone insurance run-off consolidator. In 2013, Enstar expanded operations into live risk underwriting, including Lloyd's and specialty insurance. In 2016, Enstar launched its own Bermuda reinsurance company Startstone. In November 2020, Core Specialty Insurance Holdings, Inc. (Core Specialty) completed its \$610m recapitalization of StarStone U.S. Holdings, Inc. (StarStone U.S.) previously announced in June 2020. The recapitalization was led by Investors (SkyKnight Capital, L.P., Dragoneer Investment Group and Aquiline Capital Partners LLC.), with an additional equity of \$60m from management and other investors. SkyKnight and Dragoneer have beneficial ownership of approximately 27% each, Enstar 25%, Aquiline 11%, management and Directors 6% and other investors 4%. Enstar Group Limited has received a combination of cash consideration and shares in Core Specialty as part of the recapitalization. AM Best affirmed Core Specialty rating of "A-" including Starstone Specialty.

### **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.