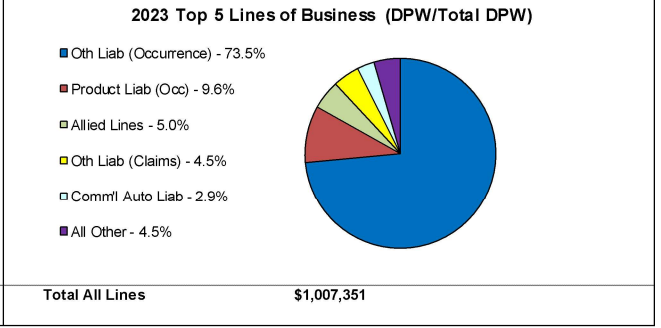
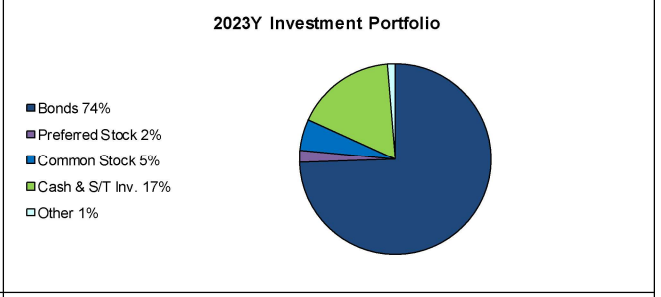
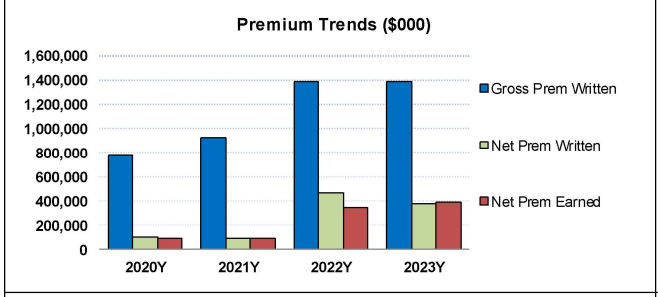
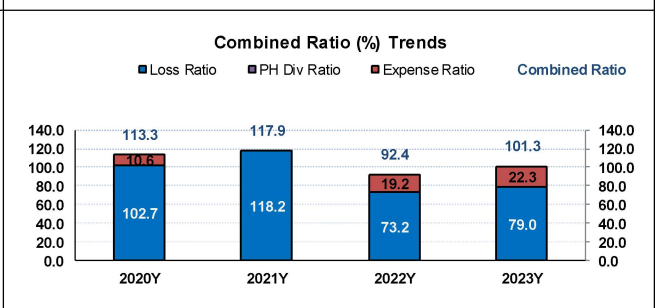
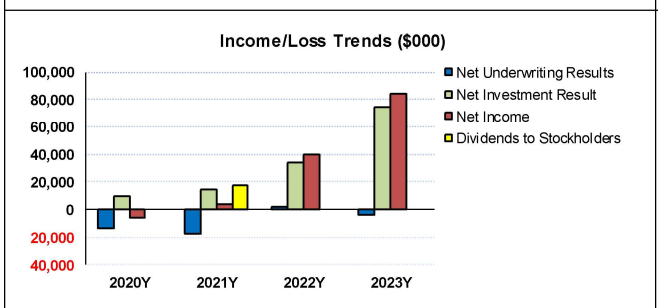




**JAMES RIVER INSURANCE COMPANY, NAIC #12203  
PARENT – James River Group Holdings, Ltd**

Dollars in 000

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	1,772,251	1,382,237	2,658,314	3,026,411	RBC Ratio (%)	324.3	315.3	283.8	282.3
Total Liabilities	1,599,833	1,180,344	2,369,791	2,644,282	2yr Res Development	39,419	46,581	60,568	98,484
Policyholder Surplus	172,417	201,892	288,523	382,129	2yr Dev / Surplus	2670.0%	2781.1%	3512.9%	4878.0%
Cash & Invested Assets	1,308,509	579,281	1,384,888	1,643,215	Affiliated Common Stock	22,438	21,387	36,455	40,203
Cash & Invested Assets / Total Assets	73.8%	41.9%	52.1%	54.3%	Affiliated CS / Surplus	13.0%	10.6%	12.6%	10.5%
Net Cash from Operations	-52,428	-143,090	-623,890	-22,207	Net Reins Recoverable	1,193,023	1,313,807	748,571	763,157
Loss & LAE Reserves	260,037	330,327	617,799	728,771	Net Reins Rec / Surplus	691.9%	650.7%	259.4%	199.7%
Loss & LAE Reserves/Surplus	150.8%	163.6%	214.1%	190.7%	AMB / S&P Ratings	A- / NR	A- / NR	A- / NR	A- / NR



**TOP 5 REINSURERS FOR JAMES RIVER INSURANCE CO. BY GROSS RECOVERABLES**

PERIOD: 2023Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Falls Lake National Insurance Company	US Affiliated Pooling	Authorized	1,564,087	0
2 - Berkley Insurance Company	US Unaffiliated	Authorized	200,087	240
3 - Swiss Reinsurance America Corporation	US Unaffiliated	Authorized	193,837	38
4 - Peak Reinsurance Company Limited	Non-US Unaffiliated	Unauthorized	51,055	0
5 - Hannover Rück SE	Non-US Unaffiliated	Authorized	23,492	7

**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 – James River Group Holdings, Ltd

Corporate Profile		Financial Strength Ratings	
Address:	James River Group Holdings, Ltd. Wellesley House Pembroke, -, -	S&P Global:	-
Website:	<a href="http://www.jrvrgroup.com">www.jrvrgroup.com</a>	Moody's:	#OUTSIDE SUBSCRIPTION
President :	-	Fitch:	-
Ticker Symbol:	NASDAQGS: JRVR	AM Best - P&C:	-
SEC Filing:	<a href="#">10-K</a>		

Highlights (\$000)	2020Y	2021Y	2022Y	2023Y
Total Assets	5,063,072	4,948,550	5,137,075	5,317,250
Total Policy Reserves	2,822,451	3,476,025	2,919,159	3,194,006
Total Debt	381,271	379,147	335,447	334,392
Total Other Liabilities	92,286	135,039	947,582	864,695
Sep Account Liabilities	0	0	0	0
Total Liabilities	4,267,464	4,223,188	4,438,411	4,637,731
<b>Total Equity</b>	<b>795,608</b>	<b>725,362</b>	<b>553,766</b>	<b>534,621</b>
Total Liab & Equity	5,063,072	4,948,550	4,992,177	5,172,352
Book Value / Share (\$)	25.96	19.41	14.78	14.20
Reserves / Investments & Cash (x)	0.88	1.43	1.69	1.56
Reserves / Liabilities (x)	0.66	0.82	0.66	0.69
Reserves / Equity (x)	3.55	4.79	5.27	5.97
Debt / Equity (x)	0.48	0.52	0.61	0.63
Dec. 31 Closing Price (\$)	49.15	28.81	20.91	9.24
Net Income (\$)	4,824	-172,799	30,973	-107,684
Basic EPS (\$)	0.16	-4.94	0.59	-3.14
Investment Yield (%)	1.66	2.52	1.15	3.85
Ratios (%)				
Loss Ratio	78.90	113.90	67.50	69.90
Expense Ratio	26.70	23.00	23.60	26.60
PH Dividend Ratio	0.00	0.00	0.00	0.00
Combined Ratio	105.60	136.90	91.10	96.50

## **HISTORY**

James River Insurance Company (James River) was incorporated in the State of New Jersey in June 1987 as Fidelity Environmental Insurance Company, a subsidiary of the American Financial Group. The company changed its name to Fidelity Excess & Surplus Company in May 1995 and re-domesticated to Ohio in September 1996. The company was acquired by James River Group, Inc. in June 2003 and subsequently adopted its current name. James River Group, Inc. is owned by James River Group Holdings, Ltd (James River Holdings) (Bermuda). The company has been eligible to write surplus lines business in New York since July 7, 1989. As of December 31, 2023, the company is licensed in Ohio and operated on a non-admitted basis in all fifty (50) states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

## **REINSURANCE**

James River Insurance is a participant in an intercompany pooling agreement including five (5) affiliates, with Falls Lake National Insurance Company (Falls Lake), (Ohio), pool lead retaining 7%. The company cedes 100% of all business written, net of first layer reinsurance, and receives 55% of the pool's combined results, which may include lines of business not directly written by the company. As such, the financial strength of the company is heavily dependent on the underwriting performance of its pool members, the credit risk of its affiliate Bermuda based reinsurers, as well as investment risk of its own investment portfolio, managed in common by James River Group, Inc. For the years 2020 through 2023, respectively, company net reinsurance recoverable were shown as \$1.2bn, \$1.3bn, \$749M and \$763M, reflecting 692%, 651%, 259% and 200% of company surplus.

## **HOLDING COMPANY**

Formed in 2002 and taken public in a 2005 IPO with headquarters in Bermuda and U.S. offices in Richmond, VA, James River Group Holdings, Ltd. owns and operates a group of specialty insurance and reinsurance companies. The Company operates in three specialty property-casualty insurance and reinsurance segments: Excess and Surplus Lines, Specialty Admitted Insurance and Casualty Reinsurance. AM Best collectively rates seven (7) insurance subsidiaries of the James River Ins. Group, including James River Insurance Company. For the years 2019 through March 2021 the group was rated 'A', downgraded in May 2021 to 'A-' and assigned the financial size of X (\$500m - \$750m). At year-end 2023, the rating was unchanged.

## **SUBSEQUENT NOTEWORTHY OBSERVATIONS**

Last revised: May 2024

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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. <sup>1</sup>
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.

<sup>1</sup> 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>

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