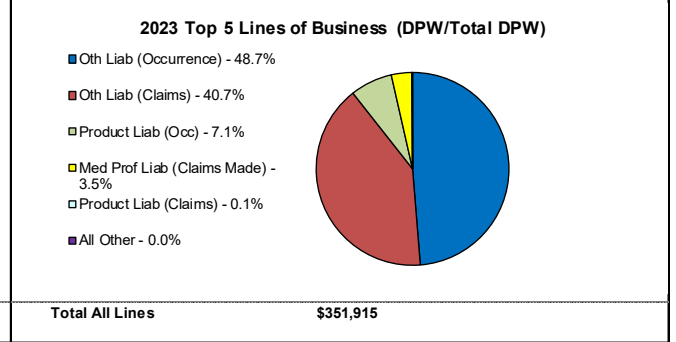
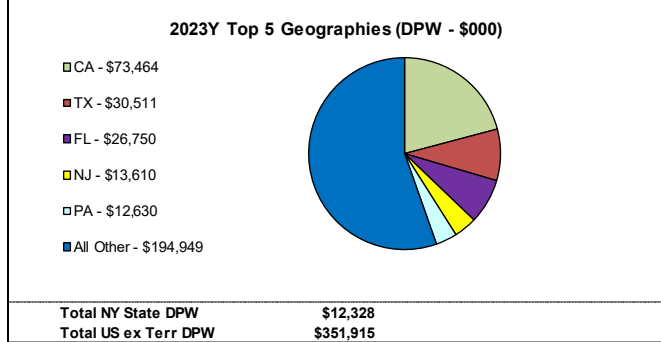
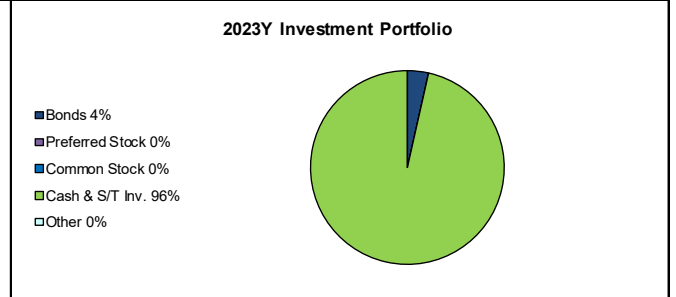
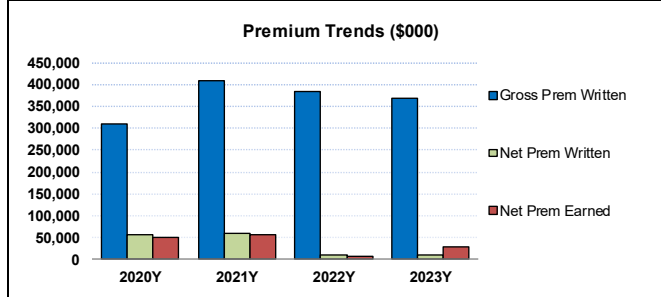
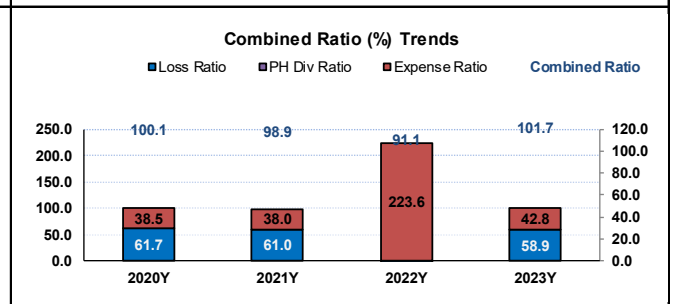
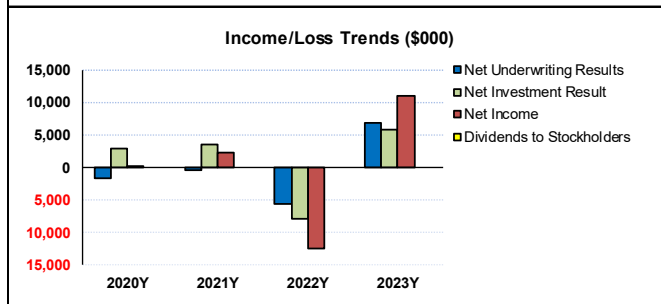




**CAPITOL SPECIALTY INSURANCE CORPORATION, NAIC #10328  
BERKSHIRE HATHAWAY INC.**

*Dollars in 000*

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	204,034	229,991	236,488	216,618	RBC Ratio (%)	500.2	394.0	291.6	681.4
Total Liabilities	143,479	165,759	186,537	155,045	2yr Res Development	4,800	1,554	-12,810	-26,535
Policyholder Surplus	60,554	64,232	49,950	61,573	2yr Dev / Surplus	790.1%	259.3%	-2115.5%	-4131.1%
Cash & Invested Assets	133,114	143,974	148,507	98,009	Affiliated Common Stck	0	0	0	0
Cash & Invested Assets / Total Assets	65.2%	62.6%	62.8%	45.2%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	22,649	9,025	9,090	-68,494	Net Reins Recoverable	495,472	663,100	775,324	960,049
Loss & LAE Reserves	69,630	84,293	49,928	54,666	Net Reins Rec / Surplus	818.2%	1032.4%	1552.2%	1559.2%
Loss & LAE Reserves/Surplus	115.0%	131.2%	100.0%	88.8%	AMB / S&P Ratings	A / NR	A / NR	A / NR	A / NR



**TOP 5 REINSURERS FOR CAPITOL SPECIALTY INS CORP. BY GROSS RECOVERABLES**

PERIOD: 2023Y

*Dollars in 000*

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Capitol Indemnity Corporation	US Affiliated Pooling	Authorized	438,107	0
2 - National Indemnity Company	US Affiliated Non-captive Non-pooling	Authorized	404,660	0
3 - Partner Reinsurance Company of the U.S.	US Unaffiliated	Authorized	29,469	0
4 - Endurance Assurance Corporation	US Unaffiliated	Authorized	20,843	0
5 - Everest Reinsurance Company	US Unaffiliated	Authorized	14,675	0

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## ULTIMATE PARENT – Berkshire Hathaway Inc.

Corporate Profile		Financial Strength Ratings	
Address:	Berkshire Hathaway Inc. 3555 Farnam Street Omaha, NE, 68131	S&P Global:	-
Website:	<a href="http://www.berkshirehathaway.com">www.berkshirehathaway.com</a>	Moody's:	#OUTSIDE SUBSCRIPTION
President :	Warren E. Buffett	Fitch:	-
Ticker Symbol:	NYSE: BRK.A	AM Best - P&C:	-
SEC Filing:	<a href="#">10-K</a>		

Highlights (\$000)	2020Y	2021Y	2022Y	2023Y
Total Assets	873,729,000	959,388,000	948,465,000	1,069,978,000
Total Policy Reserves	163,831,000	175,270,000	191,297,000	196,449,000
Total Debt	122,364,000	119,253,000	127,683,000	133,570,000
Total Other Liabilities	62,100,000	65,530,000	70,436,000	76,180,000
Sep Account Liabilities	0	0	0	0
Total Liabilities	422,393,000	449,089,000	466,784,000	499,208,000
<b>Total Equity</b>	<b>451,336,000</b>	<b>510,299,000</b>	<b>481,681,000</b>	<b>567,509,000</b>
Total Liab & Equity	873,729,000	959,388,000	948,465,000	1,066,717,000
Book Value / Share (\$)	287,030.75	339,487.04	324,322.32	389,371.92
Reserves / Investments & Cash (x)	0.36	0.33	0.39	0.34
Reserves / Liabilities (x)	0.39	0.39	0.41	0.39
Reserves / Equity (x)	0.36	0.34	0.40	0.35
Debt / Equity (x)	0.27	0.23	0.27	0.24
Dec. 31 Closing Price (\$)	347,815.00	450,662.00	468,710.96	542,625.03
Net Income (\$)	43,253,000	90,949,000	-21,998,000	97,147,000
Basic EPS (\$)	26,668.00	59,554.00	-15,494.00	66,412.00
Investment Yield (%)	12.31	17.88	-11.25	17.44
Ratios (%)				
Loss Ratio	77.16	79.11	83.82	73.01
Expense Ratio	NA	NA	NA	NA
PH Dividend Ratio	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>
Combined Ratio	NA	NA	NA	NA

## HISTORY

Capitol Specialty Insurance Corporation (Capitol Specialty) was incorporated in the State of Wisconsin in November 1961 as All Star Title Insurance. The company was acquired by Capitol Indemnity Corporation (Capitol Indemnity) in the early 1960's and renamed Capitol Land Title Insurance, Inc. in 1966. The company adopted its current name in November 1993. In October 2022, the Company's ultimate parent, Alleghany Corporation was acquired by Berkshire Hathaway Inc. (Berkshire) and became a wholly owned subsidiary of Berkshire. Berkshire is the ultimate parent of the company. The company has been eligible to write surplus lines business in New York since October 3, 2003. As of December 31, 2023, Capitol Specialty is a Wisconsin domestic surplus lines insurer and operated on a non-admitted basis in all fifty (50) states and the District of Columbia.

## REINSURANCE

Capitol Specialty is a participant in an intercompany pooling agreement including two (2) affiliates, with its direct parent, Capitol Indemnity, pool lead retaining 70%, and its affiliate, Platte River Insurance Company retaining 15%. Capitol Specialty cedes 100% of its premiums to Capitol Indemnity and receives a 15.0% share of the pool's combined results, which includes lines of business not directly written by the company, such as surety. As such, the financial strength of Capitol Specialty is heavily dependent upon the underwriting performance of its fellow pool members, the credit risk of Berkshire, as well as investment risk of its own investment portfolio, managed in common by Berkshire. For the years 2020 through 2023, respectively, Capitol Specialty net reinsurance recoverable totaled \$495M, \$663M, \$775M and \$960M, representing 818%, 1032%, 1552% and 1559% of company surplus.

## HOLDING COMPANY

With roots dating to 1839 in Rhode Island American textile manufacturing, the early company merged with Berkshire Fine Spinning, who in 1955 merged with the Hathaway Manufacturing Company to form the Berkshire Hathaway Company with headquarters in Omaha, NE. Having grown and expanded from these roots, Berkshire Hathaway, Inc. is one of the largest publicly traded investment firms in the world, holding investments in insurance and reinsurance groups and all related services and activities, consumer goods, railroads, energy (gas and electric), industrial manufacturing and supplies, retail. AM Best collectively rates over sixty (60) insurance subsidiaries with Berkshire Hathaway/National Indemnity/General Reinsurance Corp./Alleghany Ins. group of companies, including Capitol Specialty Insurance Corporation. For the years 2020 through and 2023, the Berkshire Hathaway Group was rated by AM Best and S&P as 'A++/AA+' and assigned the financial size of XV (\$2bn >).

## SUBSEQUENT NOTEWORTHY OBSERVATIONS

Updated April 2024

### 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.