



**AGENT ALLIANCE INSURANCE COMPANY NAIC #10389  
THE ALLSTATE CORPORATION**

| Dollars in 000                        |        |        |        |        | Dollars in 000          |          |         |         |         |
|---------------------------------------|--------|--------|--------|--------|-------------------------|----------|---------|---------|---------|
|                                       | 2020Y  | 2021Y  | 2022Y  | 2023Y  |                         | 2020Y    | 2021Y   | 2022Y   | 2023Y   |
| Total Assets                          | 63,531 | 59,722 | 62,857 | 70,672 | RBC Ratio (%)           | 21,219.5 | 7,491.7 | 6,174.5 | 6,593.0 |
| Total Liabilities                     | 15,766 | 9,750  | 12,643 | 19,650 | 2yr Res Development     | 0        | 0       | 0       | 0       |
| Policyholder Surplus                  | 47,765 | 49,971 | 50,214 | 51,022 | 2yr Dev / Surplus       | 0.0%     | 0.0%    | 0.0%    | 0.0%    |
| Cash & Invested Assets                | 47,973 | 50,137 | 50,114 | 51,060 | Affiliated Common Stck  | 0        | 0       | 0       | 0       |
| Cash & Invested Assets / Total Assets | 75.5%  | 84.0%  | 79.7%  | 72.2%  | Affiliated CS / Surplus | 0.0%     | 0.0%    | 0.0%    | 0.0%    |
| Net Cash from Operations              | 2,473  | 295    | 933    | 1,225  | Net Reins Recoverable   | 17,007   | 22,359  | 25,938  | 26,263  |
| Loss & LAE Reserves                   | 0      | 0      | 0      | 0      | Net Reins Rec / Surplus | 35.6%    | 44.7%   | 51.7%   | 51.5%   |
| Loss & LAE Reserves/Surplus           | 0.0%   | 0.0%   | 0.0%   | 0.0%   | AMB / S&P Ratings       | A+ /NR   | A+ /NR  | A+ /NR  | A+ /NR  |

  

| Income/Loss Trends (\$000) |  |  |  |  | Combined Ratio (%) Trends |  |  |  |  |
|----------------------------|--|--|--|--|---------------------------|--|--|--|--|
|                            |  |  |  |  |                           |  |  |  |  |

  

| Premium Trends (\$000) |  |  |  |  | 2023Y Investment Portfolio |  |  |  |  |
|------------------------|--|--|--|--|----------------------------|--|--|--|--|
|                        |  |  |  |  |                            |  |  |  |  |

  

| 2023Y Top 5 Geographies (DPW - \$000) |  |          |  |  | 2023 Top 5 Lines of Business (DPW/Total DPW) |  |          |  |  |
|---------------------------------------|--|----------|--|--|----------------------------------------------|--|----------|--|--|
|                                       |  |          |  |  |                                              |  |          |  |  |
| Total NY State DPW                    |  | \$0,190  |  |  | Total All Lines                              |  | \$84,885 |  |  |
| Total US ex Terr DPW                  |  | \$84,885 |  |  |                                              |  |          |  |  |

**TOP 5 REINSURERS FOR AGENT ALLIANCE INSURANCE CO. BY GROSS RECOVERABLES**

PERIOD: 2023Y

Dollars in 000

| Reinsurer                               | Reinsurance Class                     | Reins Authorized Status | Gross Recov | Over 120 Days Overdue |
|-----------------------------------------|---------------------------------------|-------------------------|-------------|-----------------------|
| 1 - Integon National Insurance Company  | US Affiliated Non-captive Non-pooling | Authorized              | 44,040      | 0                     |
| 2 - Berkley Regional Insurance Company  | US Unaffiliated                       | Authorized              | 537         | 0                     |
| 3 - North Carolina Reinsurance Facility | Mandatory Pools                       | Authorized              | 460         | 0                     |
| 4 - -                                   | -                                     | -                       | -           | -                     |
| 5 - -                                   | -                                     | -                       | -           | -                     |

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## ULTIMATE PARENT – The Allstate Corporation

| Corporate Profile |                                                                        | Financial Strength Ratings |                       |
|-------------------|------------------------------------------------------------------------|----------------------------|-----------------------|
| Address:          | The Allstate Corporation<br>3100 Sanders Road<br>Northbrook, IL, 60062 | S&P Global:                | -                     |
| Website:          | <a href="http://www.allstate.com">www.allstate.com</a>                 | Moody's:                   | #OUTSIDE SUBSCRIPTION |
| President :       | Thomas Joseph Wilson II                                                | Fitch:                     | -                     |
| Ticker Symbol:    | NYSE: ALL                                                              | AM Best - P&C:             | -                     |
| SEC Filings       | <a href="#">10-K</a>                                                   |                            |                       |

| Highlights (\$000)                | 2020Y             | 2021Y             | 2022Y             | 2023Y             |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Total Assets                      | 125,987,000       | 99,440,000        | 97,989,000        | 103,362,000       |
| Total Policy Reserves             | 45,441,000        | 55,085,000        | 62,041,000        | 66,802,000        |
| Total Debt                        | 8,336,000         | 8,441,000         | 8,307,000         | 8,207,000         |
| Total Other Liabilities           | 41,611,000        | 9,954,000         | 10,278,000        | 10,723,000        |
| Sep Account Liabilities           | NA                | NA                | NA                | NA                |
| Total Liabilities                 | 95,770,000        | 74,313,000        | 80,626,000        | 85,732,000        |
| <b>Total Equity</b>               | <b>30,217,000</b> | <b>25,127,000</b> | <b>17,363,000</b> | <b>17,630,000</b> |
| Total Liab & Equity               | 125,987,000       | 99,440,000        | 97,989,000        | 103,362,000       |
| Book Value / Share (\$)           | 92.68             | 82.52             | 58.69             | 59.89             |
| Reserves / Investments & Cash (x) | 0.76              | 0.84              | 0.99              | 0.99              |
| Reserves / Liabilities (x)        | 0.47              | 0.74              | 0.77              | 0.78              |
| Reserves / Equity (x)             | 1.50              | 2.19              | 3.57              | 3.79              |
| Debt / Equity (x)                 | 0.28              | 0.34              | 0.48              | 0.47              |
| Dec. 31 Closing Price (\$)        | 109.93            | 117.65            | 135.60            | 139.98            |
| Net Income (\$)                   | 5,576,000         | 1,566,000         | -1,342,000        | -213,000          |
| Basic EPS (\$)                    | 17.53             | 5.04              | -5.14             | -1.20             |
| Investment Yield (%)              | 3.14              | 7.03              | 2.13              | 3.38              |
| Ratios (%)                        |                   |                   |                   |                   |
| Loss Ratio                        | 60.80             | 71.40             | 83.60             | 83.50             |
| Expense Ratio                     | 26.80             | 24.50             | 23.00             | 21.00             |
| PH Dividend Ratio                 | <u>0.00</u>       | <u>0.00</u>       | <u>0.00</u>       | <u>0.00</u>       |
| Combined Ratio                    | 87.60             | 95.90             | 106.60            | 104.50            |

## HISTORY

Agent Alliance Insurance Company (AAIC), domiciled in Alabama, was originally incorporated under the laws of North Carolina on December 8, 1995 as Berkley Insurance Company of the Carolinas, Inc. as a multi-lines property and casualty insurance company. It is licensed to write property, miscellaneous casualty, surety (excluding official surety bonds) and marine insurance. On July 10, 2006, Emerald Investments, LLC (Emerald) acquired 100% of the Company stock and changed the Company's name to Agent Alliance Insurance Company. On December 31, 2009, the Company re-domesticated to the state of Alabama. On September 1, 2011, Integon National Insurance Company (INIC), a North Carolina insurer, acquired 100% of the Company from Emerald. INIC was owned upstream by National General Holdings Corporation (NGHC). Effective January 4, 2021, NGHC became a wholly owned indirect subsidiary of The Allstate Corporation (Allstate). As a result of the merger, Allstate became the ultimate controlling entity of NGHC and its subsidiaries (including AAIC). As of December 31, 2023, AAIC is licensed in two (2) states and eligible as a surplus lines writer in 48 states and the District of Columbia.

## REINSURANCE

AAIC participates in all of NGHC's domestic property and casualty subsidiary insurance companies' intercompany pool through its 100% quota share agreement ceding its net business to INIC, as the pool lead. According to the quota share agreement, 100% of premiums, losses and expenses are ceded on a net basis (after excess reinsurance) by AAIC to INIC and does not receive a share of the pool's combined results. As a result of the quota share agreement, no values are reported for net premiums written or earned, underwriting income, and the various combined ratio trends. As such, the Company's financial strength is heavily dependent on the credit risk of National General, the ultimate parent, as well as investment risk of its own investment portfolio, managed in common by National General. For 2020 through 2023, respectively, AAIC's net reinsurance recoverables were shown as \$17M, \$22M, \$26M, and \$26M, representing 36%, 45%, 52% and 52% of its surplus.

## HOLDING COMPANY

Allstate was founded 1931 as a subsidiary of Sears, Roebuck and Company (Sears) to sell auto insurance by direct mail. The Allstate (named after a popular Sears tire brand) with headquarters in Northbrook, Illinois has grown into one of the largest insurance holding companies in the United States and Canada. Allstate was spun off by Sears in 1993. The Allstate group of companies offers auto, home, life, renters, boat, and property, and business insurance, retirement planning products, investments and banking services. AM Best collectively rates forty (40) insurance subsidiaries of the Allstate, including AAIC. For the years 2020 through 2023, the Group was rated by AM Best and S&P 'A+/A+' and assigned the financial size of XV (\$2bn - >). S&P rated Allstate 'AA-' and was downgraded to A+ in August 2023.

## 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.