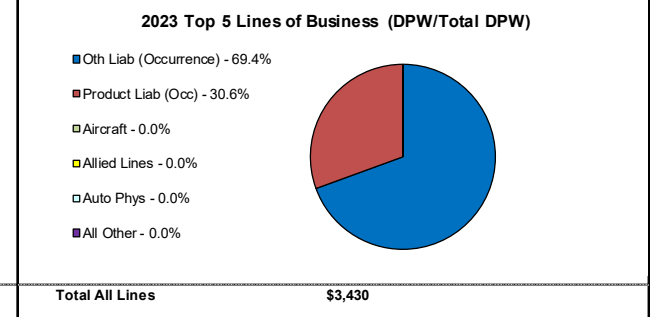
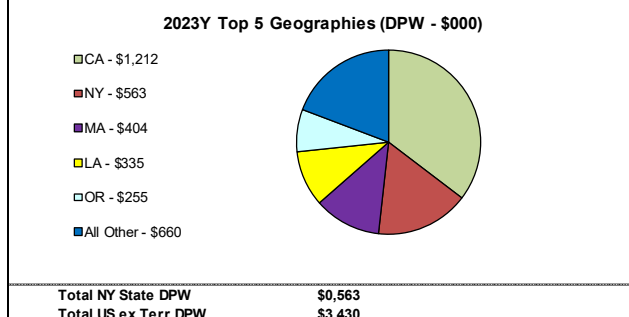
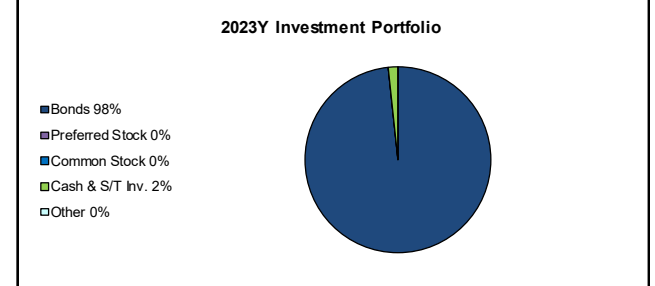
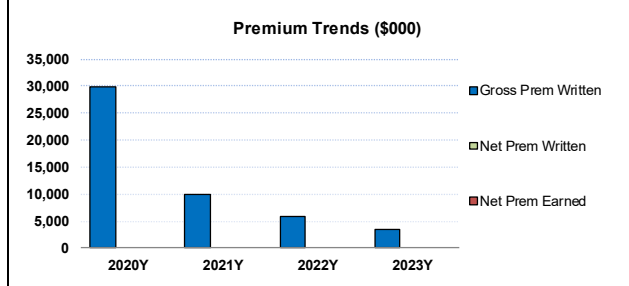
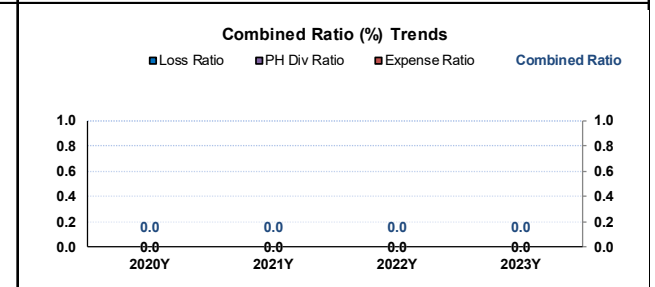
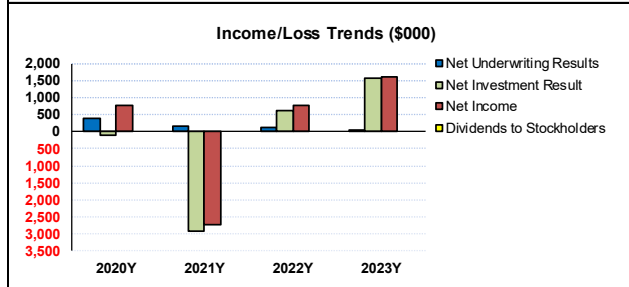




**FIRST MERCURY INSURANCE COMPANY, NAIC #10657
FAIRFAX FINANCIAL HOLDINGS LIMITED**

Dollars in 000

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	98,064	68,670	70,669	75,497	RBC Ratio (%)	13,055.4	13,268.5	13,895.9	6,410.9
Total Liabilities	31,609	2,717	2,422	5,414	2yr Res Development	0	0	0	0
Policyholder Surplus	66,455	65,953	68,247	70,083	2yr Dev/ Surplus	0.0%	0.0%	0.0%	0.0%
Cash & Invested Assets	60,894	54,955	58,585	59,727	Affiliated Common Stck	0	0	0	0
Cash & Invested Assets/ Total Asss	62.1%	80.0%	82.9%	79.1%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	13,538	34,073	1,697	1,242	Net Reins Recoverable	548,673	440,721	349,902	256,252
Loss & LAE Reserves	0	0	0	0	Net Reins Rec / Surplus	825.6%	668.2%	512.7%	365.6%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	0.0%	AMB / S&P Ratings	A / A	A / A	A / A	A / A



Total NY State DPW	\$0,563
Total US ex Terr DPW	\$3,430

Total All Lines	\$3,430
-----------------	---------

**TOP 5 REINSURERS FOR FIRST MERCURY INSURANCE CO. BY GROSS RECOVERABLES
PERIOD: 2023Y**

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - United States Fire Insurance Company	US Affiliated Pooling	Authorized	258,420	0
2 - -	-	-	-	-
3 - -	-	-	-	-
4 - -	-	-	-	-
5 - -	-	-	-	-

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.

ULTIMATE PARENT – Fairfax Financial Holdings Limited

Corporate Profile		Financial Strength Ratings	
Address:	Fairfax Financial Holdings Limited 95 Wellington Street West Toronto, -, -	S&P Global:	-
Website:	www.fairfax.ca	Moody's:	#OUTSIDE SUBSCRIPTION
President :	Peter S. Clarke	Fitch:	-
Ticker Symbol:	TSX: FFH	AM Best - P&C:	-
SEC Filing:	40-F		

Highlights (\$000)	2020Y	2021Y	2022Y	2023Y
Total Assets	74,054,000	86,645,400	78,818,500	91,985,100
Total Policy Reserves	39,206,800	47,346,500	NA	NA
Total Debt	10,266,100	8,893,700	9,718,900	10,798,700
Total Other Liabilities	6,697,400	8,491,100	5,306,300	6,063,800
Sep Account Liabilities	0	0	0	0
Total Liabilities	56,526,700	65,330,100	55,799,800	64,284,200
Total Equity	17,527,300	21,315,300	23,018,700	27,700,900
Total Liab & Equity	74,054,000	86,645,400	78,818,500	91,985,100
Book Value / Share (\$)	478.33	630.60	762.28	939.65
Reserves / Investments & Cash (x)	0.90	0.89	NA	NA
Reserves / Liabilities (x)	0.69	0.72	NA	NA
Reserves / Equity (x)	2.24	2.22	NA	NA
Debt / Equity (x)	0.59	0.42	0.42	0.39
Dec. 31 Closing Price (\$)	340.49	491.70	592.62	925.70
Net Income (\$)	37,400	3,666,600	3,811,700	5,094,900
Basic EPS (\$)	6.59	129.33	140.83	186.87
Investment Yield (%)	2.37	9.34	0.77	8.21
Ratios (%)				
Loss Ratio	65.40	62.70	65.20	63.20
Expense Ratio	32.40	32.30	29.50	30.00
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	97.80	95.00	94.70	93.20

HISTORY

First Mercury Insurance Company (First Mercury) was incorporated in the State of Illinois in June 1996, as a subsidiary of the First Mercury Syndicate, a member of the Illinois Insurance Exchange (IIE). The Syndicate transferred a \$35 million loss portfolio transfer to First Mercury, withdrew from the IIE and was merged into First Mercury. In 1998 Fairfax Financial Holding Limited (Fairfax), Toronto, Canada, acquired the Crum & Forester Insurance Group (C&F) from Xerox. In February 2011, First Mercury was acquired by Fairfax and contributed to C&F. The company has been eligible to write surplus lines business in New York since November 8, 2004. On October 28, 2015, First Mercury re-domesticated to Delaware. As of December 31, 2023, First Mercury is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in all fifty (50) states, the District of Columbia and the U.S. Virgin Islands.

REINSURANCE

First Mercury maintains a 100% quota share agreement with an affiliate, United States Fire Insurance Company, a subsidiary of C&F. 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 financial strength of the company is heavily dependent on the credit risk of C&F/Fairfax, as well as investment risk of its own investment portfolio, managed in common by Fairfax. For the years 2020 through 2023, First Mercury net reinsurance recoverable totaled \$549M, \$441M, \$350M and \$256M, reflecting 826%, 668%, 513% and 366% of Company surplus.

HOLDING COMPANY

Founded in 1951 as Markel Service Company of Canada, specializing in Canadian trucking insurance, the company was renamed Markel Financial Holdings, Ltd in 1976. In 1985, the investor Prem Watsa, with partner Tony Hamlin, of the investment firm, Hamblin Watsa Investment Counsel, Ltd, Toronto, Canada, acquired control of Markel Financial Holdings and renamed the group Fairfax Financial Holdings, Ltd (Fairfax) (short for "fair, friendly acquisitions" in 1987. Fairfax through its subsidiaries is engaged in property and casualty insurance, reinsurance, Lloyds, insurance services, claims management and associated investment management. Fairfax operates primarily through several subsidiaries, including Odyssey Re, Northbridge Financial, Crum & Forster, Allied World, Verasure Insurance, Onlia Agency Inc., and Zenith Insurance Company. For the years 2020 through 2023, AM Best and S&P rated thirty three (33) insurance subsidiaries of the Fairfax Group, including First Mercury Insurance Company as 'A / A' and were 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.