



**SENECA SPECIALTY INSURANCE COMPANY, NAIC #10729
FAIRFAX FINANCIAL HOLDINGS LIMITED**

Dollars in 000				
	2020Y	2021Y	2022Y	2023Y
Total Assets	54,619	57,470	57,657	60,496
Total Liabilities	0	57	74	1,731
Policyholder Surplus	54,619	57,413	57,583	58,765
Cash & Invested Assets	54,213	57,360	57,262	59,938
Cash & Invested Assets/ Total Assets	99.3%	99.8%	99.3%	99.1%
Net Cash from Operations	915	337	390	984
Loss & LAE Reserves	0	0	0	0
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	0.0%

	2020Y	2021Y	2022Y	2023Y
RBC Ratio (%)	10,617.5	16,808.6	16,961.8	7,941.5
2yr Res Development	0	0	0	0
2yr Dev / Surplus	0.0%	0.0%	0.0%	0.0%
Affiliated Common Stck	0	0	0	0
Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Reins Recoverable	99,518	101,156	125,746	193,037
Net Reins Rec / Surplus	182.2%	176.2%	218.4%	328.5%
AMB / S&P Ratings	A / A	A / A	A / A	A / A

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	\$66,890
Total US ex Terr DPW	\$220,720

Total All Lines	\$220,720
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TOP 5 REINSURERS FOR SENECA SPECIALTY INSURANCE CO. BY GROSS RECOVERABLES

PERIOD: 2023Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Seneca Insurance Company, Inc.	US Affiliated Captive Non-pooling	Authorized	193,037	0
2 - -	-	-	-	-
3 - -	-	-	-	-
4 - -	-	-	-	-
5 - -	-	-	-	-

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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

Seneca Specialty Insurance Company (Seneca Specialty) was incorporated in the State of Arizona in October 1997 as a subsidiary of Sen-Tech International Holdings, Inc. In 1998 Fairfax Financial Holdings Limited (Fairfax) acquired the Crum & Forester Insurance Group (C&F) from Xerox. Seneca Specialty was acquired by Fairfax in August 2000 and contributed to C&F. Financial and operations control of the company remains with C&F/Fairfax. The company has been eligible to write surplus lines business in New York since February 12, 2004. The Company re-domesticated to Delaware in November 2014. As of December 31, 2023, Seneca Specialty is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in fifty (50) states and the District of Columbia.

REINSURANCE

Seneca Specialty maintains a 100% quota share agreement with an affiliate; Seneca Insurance Company, Inc. (Seneca), who in turn reinsures 100% of its intercompany business with its affiliate, United States Fire Insurance Company, a subsidiary of C&F. As a result of the agreement, no values are reported for net premiums written or earned, underwriting income and the various combined ratios. As such, the financial strength of the Seneca Specialty is heavily dependent on the credit risk of C&F/Fairfax, as well as investment risk from its own investment portfolio, managed in common by Fairfax. For the years 2020 through 2023, respectively, Seneca Specialty net reinsurance recoverable under the agreement was shown as \$99M, \$101M, \$126M and \$193M, reflecting 182%, 176%, 218% and 328% of company surplus.

HOLDING COMPANY

Founded in 1951 as Markel Service 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, Verassure 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 Seneca Specialty Insurance Company as ‘A / A’ and were assigned the financial size of XV (\$2bn >). S&P upgraded the groups’ rating from ‘A-’ to ‘A’ on May 27, 2022.

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.