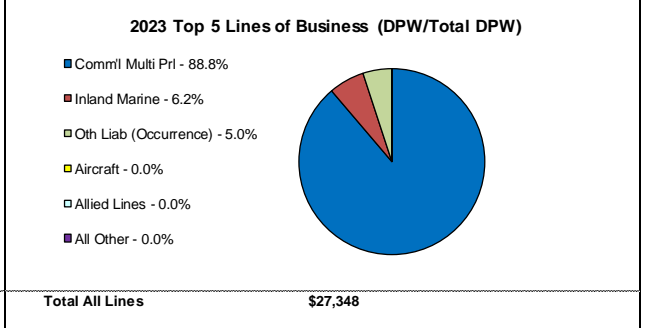
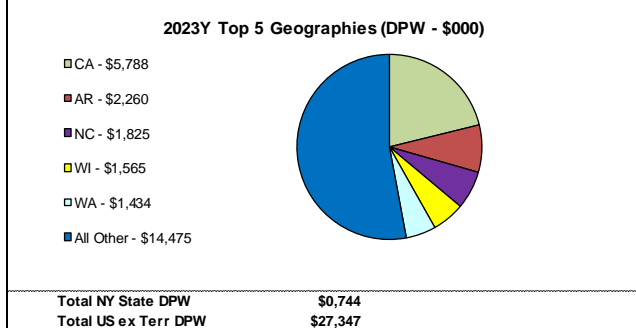
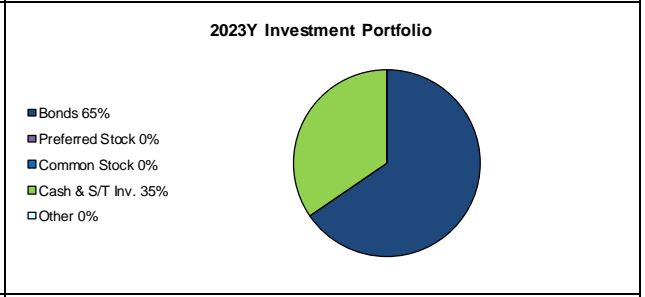
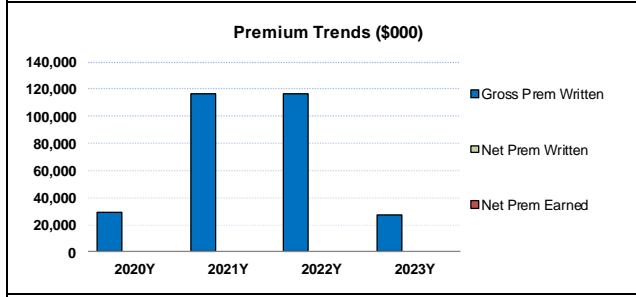
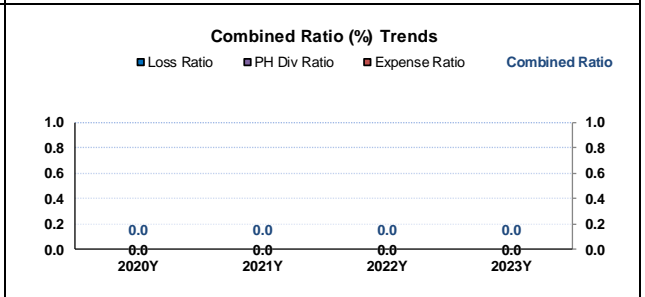
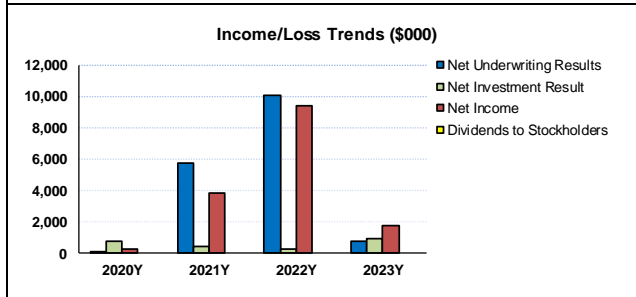




HSB SPECIALTY INSURANCE COMPANY, NAIC #14438
MUNCHENER RUECKVERSICHERUNGS-GESELLSCHAFT AG 'MUNICH RE'

Dollars in 000

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	58,711	74,812	69,707	68,219	RBC Ratio (%)	105,157.6	27,508.7	30,614.7	37,809.0
Total Liabilities	6,871	18,192	5,642	2,064	2yr Res Development	0	0	0	0
Policyholder Surplus	51,840	56,620	64,065	66,155	2yr Dev / Surplus	0.0%	0.0%	0.0%	0.0%
Cash & Invested Assets	53,880	59,693	61,679	63,897	Affiliated Common Stock	0	0	0	0
Cash & Invested Assets / Total Assets	91.8%	79.8%	88.5%	93.7%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	3,765	6,911	10,303	834	Net Reins Recoverable	30,563	89,208	86,299	46,838
Loss & LAE Reserves	0	0	0	0	Net Reins Rec / Surplus	59.0%	157.6%	134.7%	70.8%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	0.0%	AMB / S&P Ratings	A++ NR	A++ NR	A++ NR	A++ NR



Total NY State DPW	\$0,744
Total US ex Terr DPW	\$27,347

Total All Lines	\$27,348
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TOP 5 REINSURERS FOR HSB SPECIALTY INSURANCE CO. BY GROSS RECOVERABLES

PERIOD: 2023Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - The Hartford Steam Boiler Inspection and Insurance Company	US Affiliated Non-captive Non-pooling	Authorized	48,748	0
2 - -	-	-	-	-
3 - -	-	-	-	-
4 - -	-	-	-	-
5 - -	-	-	-	-

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ULTIMATE PARENT – Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München

Corporate Profile		Financial Strength Ratings	
Address:	Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft Königinstr. 107 Munich, -, -	S&P Global:	-
Website:	www.munichre.com	Moody's:	#OUTSIDE SUBSCRIPTION
President :	-	Fitch:	AA
Ticker Symbol:	XTRA: MUV2	AM Best - P&C:	-
SEC Filing:	N/A		

Highlights (\$000)	2020Y	2021Y	2022Y	2023Y
Total Assets	297,946,478	312,404,569	269,391,000	273,793,000
Total Policy Reserves	226,800,763	240,143,108	NA	NA
Total Debt	6,341,799	6,363,972	6,095,000	5,891,000
Total Other Liabilities	11,591,283	10,720,135	22,501,000	14,008,000
Sep Account Liabilities	7,955,150	8,998,471	NA	NA
Total Liabilities	267,952,424	281,459,112	242,146,000	244,021,000
Total Equity	29,994,054	30,945,457	27,245,000	29,772,000
Total Liab & Equity	297,946,478	312,404,569	269,391,000	273,793,000
Book Value / Share (\$)	213.38	220.06	196.84	220.28
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	0.85	0.85	NA	NA
Reserves / Equity (x)	7.56	7.76	NA	NA
Debt / Equity (x)	0.21	0.21	0.22	0.20
Dec. 31 Closing Price (\$)	242.80	260.50	304.00	375.10
Net Income (\$)	1,211,065	2,932,239	5,309,000	4,597,000
Basic EPS (\$)	8.63	20.93	38.12	33.87
Investment Yield (%)	NA	NA	NA	NA
Ratios (%)				
Loss Ratio	NA	NA	NA	NA
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

HSB Specialty Insurance Company (HSB Specialty) was incorporated in the State of Connecticut in June 2012, as a subsidiary of Münchener Rückversicherungs-Gesellschaft (“Munich Re”). Financial and operations control of the company remains with Munich Re. The company has been eligible to write surplus lines business in New York since July 11, 2013. As of December 31, 2023, HSB Specialty is a Connecticut domestic surplus lines insurer and operated on a non-admitted basis in all fifty (50) states, the District of Columbia and Puerto Rico.

REINSURANCE

HSB Specialty maintains a 100% quota share agreement with an affiliate, Hartford Steam Boiler Inspection & Insurance Company (HSB). 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 risk of financial impairment is largely limited to credit risk of HSB/Munich Re as well as investment risk from its investment portfolio, managed in common by HSB. For the years 2020 through 2023, respectively, HSB Specialty net reinsurance recoverable totaled \$30M, \$89M, \$86m and \$47M, reflecting 59%, 158%, 135% and 71% of company surplus.

HOLDING COMPANY

Founded in 1880, as the Munchener Ruckversicherungs-Gesellschaft, the company group now known as Munich Re is one of the world’s largest insurers. Munich Re is active in all lines of insurance covering all major commercial and insurance enterprises; personal lines, commercial lines, specialty lines, life, health, national and global reinsurance p&c and life, Lloyds, financial, reputational, weather, captives, insurance securitization, engineering and risk management. Munich Re operates worldwide and is headquartered in Munich, Germany. Due to the size and global reach of Munich Re, AM Best rates various divisions within the group. AM Best collectively rates twenty-four (24) insurance subsidiaries of the Munich Reinsurance Co., including HSB Specialty Insurance Company. For the years 2020 through 2023 the group was rated ‘A+’ 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.