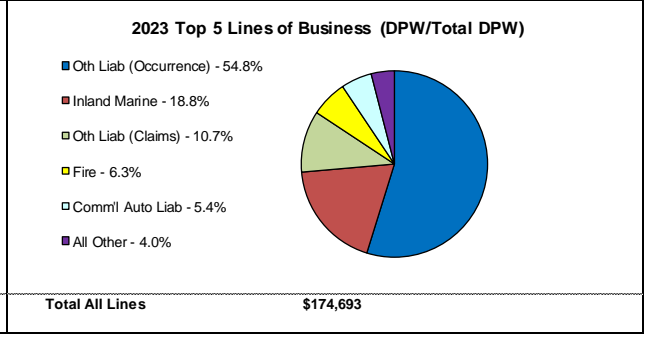
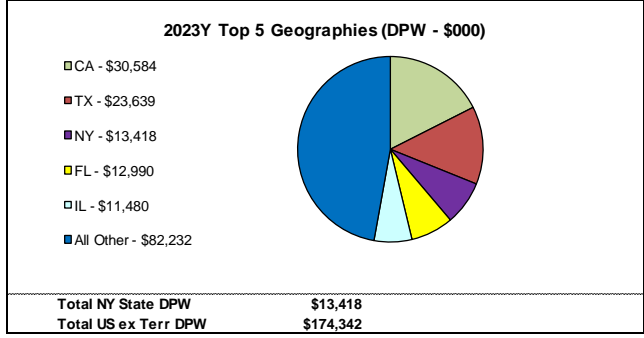
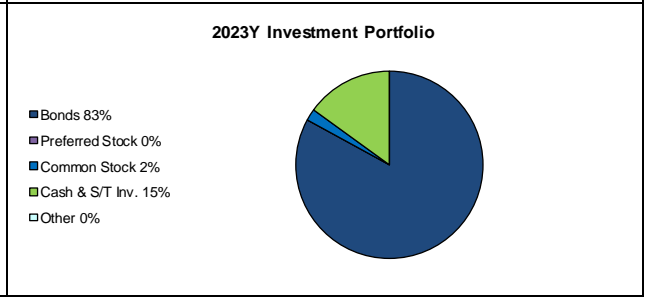
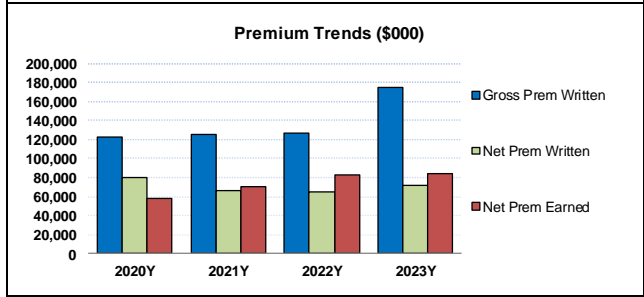
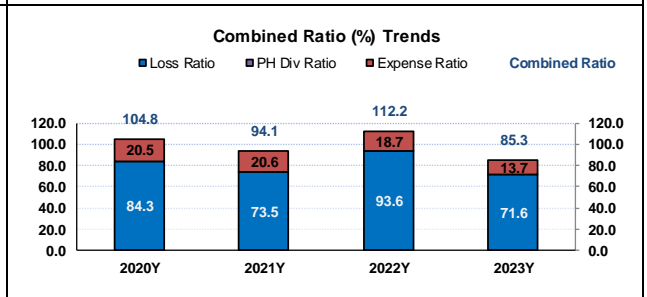
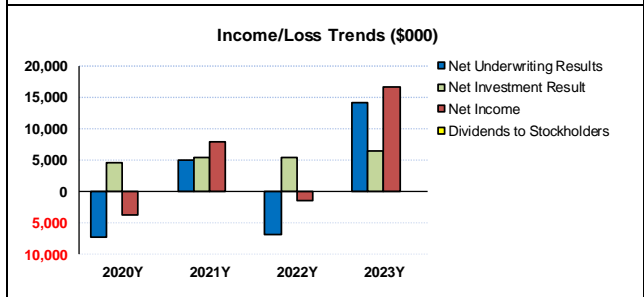




**HDI SPECIALTY INSURANCE COMPANY, NAIC #16131
HAFTPFLICHTVERBAND DER DEUTSCHEN INDUSTRIE VVAG**

Dollars in 000

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	237,471	277,847	320,766	351,081	RBC Ratio (%)	533.9	390.0	321.0	359.4
Total Liabilities	188,636	222,276	251,515	262,482	2yr Res Development	-601	6,915	5,166	570
Policyholder Surplus	48,835	55,570	69,251	88,599	2yr Dev / Surplus	-126.9%	1367.3%	1057.8%	102.6%
Cash & Invested Assets	202,745	240,193	292,871	324,698	Affiliated Common Stock	0	0	0	0
Cash & Invested Assets / Total Assets	85.4%	86.4%	91.3%	92.5%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	65,644	31,662	42,912	29,748	Net Reins Recoverable	39,259	49,687	104,440	134,222
Loss & LAE Reserves	64,287	97,081	149,033	167,044	Net Reins Rec / Surplus	80.4%	89.4%	150.8%	151.5%
Loss & LAE Reserves/Surplus	131.6%	174.7%	215.2%	188.5%	AMB / S&P Ratings	A+ / NR	A+ / NR	A+ / NR	A+ / NR



**TOP 5 REINSURERS FOR HDI SPECIALTY INSURANCE CO. BY GROSS RECOVERABLES
PERIOD: 2023Y**

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Transatlantic Reinsurance Company	US Unaffiliated	Authorized	22,564	0
2 - Partner Reinsurance Company of the U.S.	US Unaffiliated	Authorized	9,853	0
3 - Lloyd's Syndicate - 1274 (Antares Managing Agency Limited)	Non-US Unaffiliated	Authorized	8,017	0
4 - Lloyd's Syndicate - 1414 (Ascot Underwriting Limited)	Non-US Unaffiliated	Authorized	7,300	0
5 - HDI Global Specialty SE	Non-US Affiliated Non-captive	Unauthorized	6,905	0

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ULTIMATE PARENT – HDI Haftpflichtverband der Deutschen Industrie V.a.G.

Corporate Profile		Financial Strength Ratings	
Address:	HDI Haftpflichtverband der Deutschen Industrie V.a.G. HDI-Platz 1 Hanover, -, -	S&P Global:	-
Website:	-	Moody's:	#OUTSIDE SUBSCRIPTION
President :	-	Fitch:	-
Ticker Symbol:	-: -	AM Best - P&C:	-
SEC Filing:	N/A		

Highlights (\$000)	2020Y	2021Y	2022Y	2023Y
Total Assets	182,781,000	199,609,000	194,720,000	NA
Total Policy Reserves	140,244,000	152,660,000	152,679,000	NA
Total Debt	6,134,000	7,600,000	8,734,000	NA
Total Other Liabilities	7,606,000	8,219,000	8,673,000	NA
Sep Account Liabilities	11,619,000	13,687,000	11,902,000	NA
Total Liabilities	163,914,000	179,559,000	179,765,000	NA
Total Equity	18,867,000	20,050,000	14,956,000	NA
Total Liab & Equity	182,781,000	199,609,000	194,721,000	NA
Book Value / Share (\$)	NA	NA	NA	NA
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	0.86	0.85	0.85	NA
Reserves / Equity (x)	7.43	7.61	10.21	NA
Debt / Equity (x)	0.33	0.38	0.58	NA
Dec. 31 Closing Price (\$)	NA	NA	NA	NA
Net Income (\$)	1,129,000	1,742,000	2,502,000	NA
Basic EPS (\$)	NA	NA	NA	NA
Investment Yield (%)	NA	NA	NA	NA
Ratios (%)				
Loss Ratio	72.90	70.10	71.60	NA
Expense Ratio	28.10	27.60	27.30	NA
PH Dividend Ratio	-2.10	-0.60	-2.00	NA
Combined Ratio	98.90	97.10	96.90	NA

HISTORY

HDI Specialty Insurance Company (HDI Specialty) was incorporated on February 3, 2017, as an Illinois domestic surplus lines insurer, and wholly-owned subsidiary of HDI Global Insurance Company (HDI Global). HDI Global is owned by HDI Global Network AG, which in turn is owned by HDI Global SE, which is owned by Talanx AG. Also, Talanx AG is a 50.22% owner of Hannover Ruck SE. The ultimate parent is Haftpflichtverband der Deutschen Industrie V.a.G (HDI). HDI Specialty has been eligible in New York since November 3, 2017. As of December 31, 2023, HDI Specialty is an Illinois domestic surplus lines insurer and operated as a non-admitted insurer in all fifty (50) states, the District of Columbia, American Samoa, Guam, Puerto Rico, the U.S. Virgin Islands, the Northern Marianas Islands and Canada.

REINSURANCE

HDI Specialty cedes 95% to 100% of its business to HDI Global Network and HDI Global SE on both a quota share and facultative basis. The business is then retroceded into the HDI Group's global reinsurance framework. As such, the financial strength of the company is heavily dependent on the credit risk of HDI Global, as well as investment risk of its own investment portfolio, managed in common by HDI Global. For the years 2020 through 2023, respectively, HDI Specialty net reinsurance recoverable was shown as \$39M, \$50M, \$104M and \$134M, representing 80%, 89%, 151% and 152% of company surplus.

HOLDING COMPANY

Founded in 1903 in Hanover, Germany as Haftpflichtverband der Deutschen Industrie V.a.G (HDI), operating as a liability association insurer for the German iron and steel industry, the group has gone through numerous changes in branding and names over the succeeding generations. The HDI group was known as Hanover Re in 1966. With the acquisition of Gerling Konzern Allgemeine Versicherungs AG (Gerling Global) in 2006 the group was renamed HDI-Gerling. In 2016, it was renamed HDI Global Insurance Company. The HDI group manages the industrial lines division of the Talanx Group and has expanded operations to writing personal and commercial lines property and casualty, surplus lines, life, health and disability insurance, legal liability and retirement insurance products in over 150 countries. AM Best collectively rates ten (10) insurance subsidiaries of the HDI group, including HDI 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.