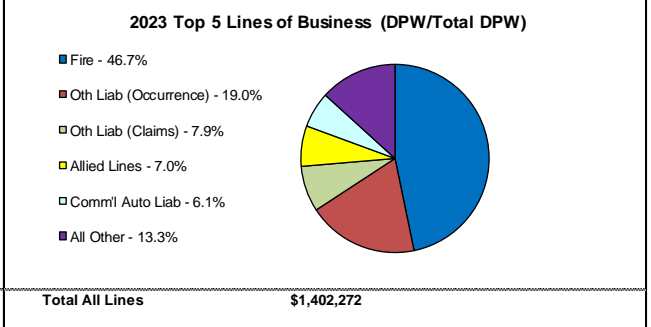
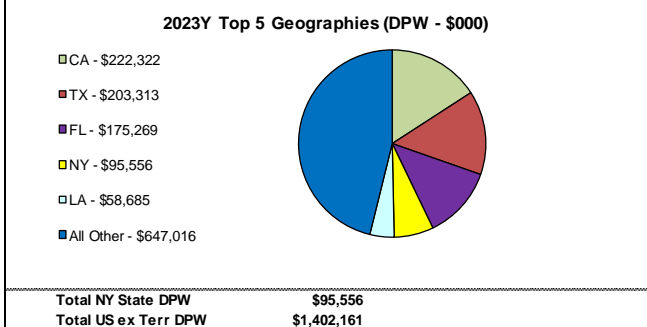
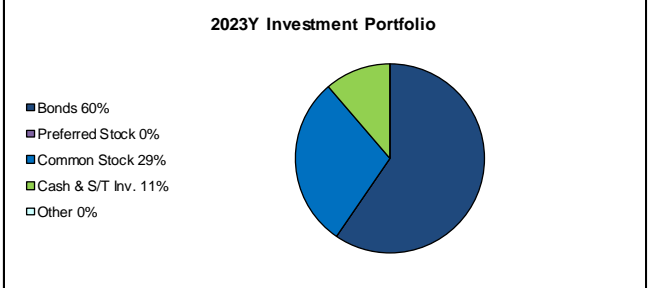
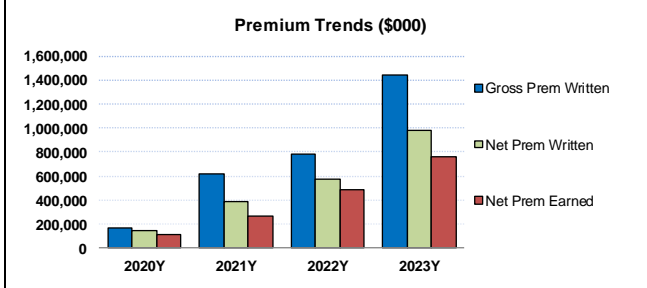
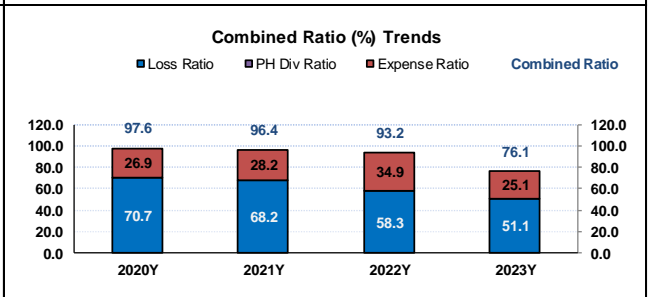
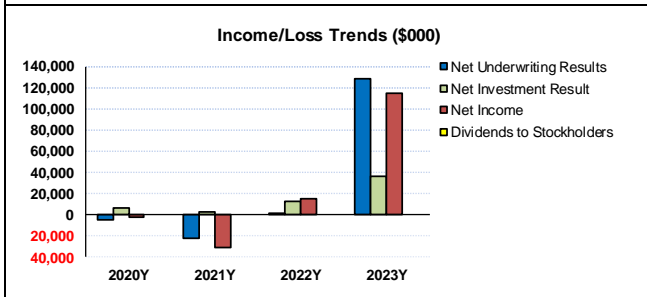




**STARSTONE SPECIALTY INSURANCE COMPANY, NAIC #44776  
CORE SPECIALTY INSURANCE HOLDINGS INC**

Dollars in 000

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	923,292	1,255,445	1,615,577	2,133,464	RBC Ratio (%)	1,098.2	675.6	380.3	306.9
Total Liabilities	132,033	521,601	819,421	1,260,567	2yr Res Development	3,027	-19,921	-24,505	-79,292
Policyholder Surplus	791,258	733,844	796,156	872,897	2yr Dev / Surplus	192.8%	-1034.0%	-309.7%	-1080.5%
Cash & Invested Assets	883,651	1,123,245	1,394,952	1,715,681	Affiliated Common Stck	439,652	461,092	574,132	499,543
Cash & Invested Assets/ Total Asse	95.7%	89.5%	86.3%	80.4%	Affiliated CS / Surplus	55.6%	62.8%	72.1%	57.2%
Net Cash from Operations	62,960	294,564	127,790	415,603	Net Reins Recoverable	113,172	233,525	327,031	296,810
Loss & LAE Reserves	165,111	294,862	455,599	631,980	Net Reins Rec / Surplus	14.3%	31.8%	41.1%	34.0%
Loss & LAE Reserves/Surplus	20.9%	40.2%	57.2%	72.4%	AMB / S&P Ratings	A- / NR	A- / NR	A- / NR	A- / NR



**TOP 5 REINSURERS FOR STARSTONE SPECIALTY INS CO. BY GROSS RECOVERABLES  
PERIOD: 2023Y**

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - StarStone Insurance Bermuda Limited	Non-US Unaffiliated	Authorized	31,866	0
2 - Everest Reinsurance Company	US Unaffiliated	Authorized	29,317	0
3 - Berkshire Hathaway Specialty Insurance Company	US Unaffiliated	Authorized	23,821	0
4 - Transatlantic Reinsurance Company	US Unaffiliated	Authorized	17,064	0
5 - Validus Reinsurance (Switzerland) Ltd	Non-US Unaffiliated	Authorized	12,355	0

**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.

## HISTORY

Starstone Specialty Insurance Company (Starstone Specialty) was incorporated in the State of Delaware in August 1991 as BT Insurance Corporation, a subsidiary of Bankers Trust. The company was acquired by Alea Holdings US Company in December 1998 and subsequently changed its name to Rhine Re Insurance, Ltd. The company was renamed Alea North America Reinsurance Company in 2000 and then to Alea North America Specialty Insurance in 2002. In September 2006, the company was acquired by Praetorian Insurance Company, a subsidiary of QBE Insurance Group, Ltd. (Australia) and the name was changed to Praetorian Specialty Insurance Company. The company was acquired by Torus Insurance Holdings, Ltd. (Bermuda) in February 2009 and the name was changed to Torus Specialty Insurance Company. In April 2014, the company was acquired by Enstar Group Ltd. (Enstar) (Bermuda) (59%), Stone Point Capital, LLC (39.3%) and Dowling Capital Partners (1.7%). The company adopted its current name in 2015. The company has been eligible to write surplus lines business in New York since January 15, 2004. As of December 31, 2023, Starstone Specialty is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in all fifty (50) states, the District of Columbia, Guam, and Puerto Rico.

## REINSURANCE

Starstone Specialty has a quota share reinsurance agreement with its up-stream parent, Starstone Insurance, Ltd (Starstone) (Bermuda), to cede 65% of its net retained business. Also, the company cedes on a quota share basis 35% of its premiums and losses to Kayla Re Ltd (Bermuda), an affiliate. The company has also entered into a continuous aggregate XOL reinsurance agreement with Starstone against significant cumulative calendar year loss ratios between 80% and 160%. For the years 2020 through 2023, respectively, Starstone Specialty net reinsurance recoverable was shown as \$113M, \$233M, \$327M and \$297M, representing 14%, 32%, 41% and 34% of company surplus.

## HOLDING COMPANY - [Website](#)

With roots dating to 1993, in Bermuda, with the founding of Castlewood, Ltd., its founding partners then formed Enstar in 2001 and merged the two companies in 2007, with Enstar the surviving name. Created through acquisitions and merger of more than 100 legacy insurance companies and legacy insurance portfolio assumptions, Enstar has become the insurance industry's largest standalone insurance run-off consolidator. In 2013, Enstar expanded operations into live risk underwriting, including Lloyd's and specialty insurance. In 2016, Enstar launched its own Bermuda reinsurance company Startstone. In November 2020, Core Specialty Insurance Holdings, Inc. (Core Specialty) completed its \$610m recapitalization of StarStone U.S. Holdings, Inc. (StarStone U.S.). The recapitalization was led by Investors (SkyKnight Capital, L.P., Dragoneer Investment Group and Aquiline Capital Partners LLC.), with an additional equity of \$60m from management and other investors. SkyKnight and Dragoneer have beneficial ownership of approximately 27% each, Enstar 25%, Aquiline 11%, management and Directors 6% and other investors 4%. Enstar Group Limited has received a combination of cash consideration and shares in Core Specialty as part of the recapitalization. For the years 2020 through 2023, AM Best rated the group "A-" including Starstone Specialty and assigned the financial size of XII (\$1bn to \$1.25bn).

## 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.