



## CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY

Report on Reinsurance Security

Date: October 2022

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## 1. REINSURANCE SECURITY CONSIDERATIONS

### 1.1 Status Update

The purpose of this report is to provide the CLLAS Audit Committee with a status review of the current CLLAS reinsurance security consistent with CLLAS' Reinsurance Security Policy.

### 1.2 Reinsurance Security

One of the responsibilities of the Audit Committee is to monitor CLLAS' reinsurers and to recommend changes to the Board based on any number of factors including, but not limited to:

- Downgrading of the security rating
- A rating agency placing a reinsurer on a "watch" list
- Exposure to any one reinsurer exceeding an agreed percentage
- Difficulties collecting reinsurance proceeds after a claim is settled
- Use of unregistered (in Canada) security
- Any other matters that may threaten the security of a reinsurer

The Committee acknowledges that reinsurance intermediaries cannot guarantee the solvency of any reinsurer and that they rely on the rating agencies to evaluate reinsurers' financial strength. The Audit Committee is not meant to substitute the expert advice provided by CLLAS' intermediaries. Its purpose is to use this advice to assist the Advisory Board in its due diligence process. Included in Appendices A and B are letters from Axxima (including Alternative Risk Services) and Miller Insurance Services LLP, respectively, which provide information on the reinsurance security practices of these firms.

### 1.3 Level I Monitoring

Level I monitoring of CLLAS reinsurance consists of the following:

- Current A.M. Best and S&P 5-year rating chart comparison – see Appendix C
- Current claims liability exposure (i.e., case reserves and IBNR) to each reinsurer from all policy years combined – see Appendix D
- Current claims liability exposure to each reinsurer for the prior policy year– see Appendix E
- Single claim limit exposure to each reinsurer for the current year – see Appendix F

CLLAS reinsurers should be rated A- or better by A.M. Best and S&P, except for special circumstances agreed to by the Board.

For the committee's convenience we have also included the A.M. Best and S&P ratings for insurers participating on the commercial excess program placed by Pro-Form for CLLAS' subscribers, including the ratings for the "CLLAS International" program, as provided by Pro-Form, under Appendix C-PF. For completeness, the commercial excess and CLLAS International insurers have also been included in the analysis of claim limit exposure to each reinsurer for the current year, which is found under Appendix F-PF.

## 1.4 Level II Monitoring Triggers

Should any of the following events occur, a Level II monitoring would take place:

- Downgrading of the financial strength rating
- A rating agency placing a reinsurer on a "watch" list
- Difficulties collecting reinsurance proceeds after a claim is settled
- Use of a reinsurer that is unregistered in Canada
- Any other events deemed material by the Audit Committee or its advisors

Additionally, for a particular reinsurer, Level II monitoring will be triggered in the event the following takes place and the reinsurer's exposure to CLLAS is significant relative to its total assets and/or capital and surplus:

- Current claims liability exposure (i.e., case reserves and IBNR) for all policy years combined exceeds 10% of the total
- Current claims liability exposure for the prior policy year exceeds 10% of the total
- Claim limit exposure to each reinsurer for the current year exceeds 10% of the total limits provided by CLLAS

CLLAS' exposure is considered significant to the reinsurer if its share of CLLAS' total current liabilities or claim limit exposure exceeds 0.1% of the reinsurer's assets or 0.5% of the reinsurer's capital and surplus.

## 1.5 Level II Monitoring

The following Level II monitoring should take place for any reinsurer that requires it due to events identified above:

- Additional information should be reviewed by the Audit Committee, including a review of:
  - Stock performance relative to the remainder of the market

- Early warning signals/ratios (as provided by A.M. Best or equivalent agency)
- Balance sheet and income statement highlights (as provided by A.M. Best or equivalent agency)
- Meetings or direct correspondence with such reinsurers as necessary to discuss the financial health of the reinsurer.

The Audit Committee should make recommendations to the Board based on such reviews.

## 2. LEVEL II MONITORING

### 2.1 Reinsurers Requiring Level II Monitoring

As the first step in our reinsurance security monitoring process, Level I tests were performed on all CLLAS reinsurers. The following identifies the reinsurers subject to Level II monitoring and which Level II monitoring criteria was triggered:

#### Level II Monitoring Triggers

Market	Unregistered in Canada	Collection Difficulties	Downgrade \ Watch List	Current Liabilities (All Years) exceeds 10%	Current Liabilities (Most Recent Year) exceeds 10%	Claim Limit Exposure (Most Recent Year) exceeds 10%
AWAC	✓					
Colchester	✓			✓	✓	✓
Lloyd's				✓	✓	✓
AMA 1200 (Argo Syndicate)				✓	✓	
Swiss Re						✓
AML 2001 (MS Amlin Syndicate)					✓	
Argenta 2021 (Argenta Syndicate)					✓	

#### Level II Monitoring Requirement

Market	Exposure Exceeds 0.1% of Insurer Total Assets	CLLAS Exposure Exceeds 0.5% of Insurer Total Capital & Surplus	Level II Monitoring Required?
AWAC	No	No	Yes
Colchester	Yes	Yes	Yes

Market	Exposure Exceeds 0.1% of Insurer Total Assets	CLLAS Exposure Exceeds 0.5% of Insurer Total Capital & Surplus	Level II Monitoring Required?
Lloyd's	No	No	No
AMA 1200 (Argo Syndicate)	No	Yes	Yes
Swiss Re	No	No	No
AML 2001 (MS Amlin Syndicate)	No	No	No
Argenta 2021 (Argenta Syndicate)	Relies on Lloyd's		

Note: Relied upon MS Amlin's parent company financials, MS Amlin AG.

Although exposure to Lloyd's does not exceed the Level II Monitoring requirement thresholds as a percent of assets and capital, we are including the AM Best Rating Report under Appendix J as an information item due to the size of the liabilities placed with Lloyd's.

## 2.2 Allied World Assurance Company Limited ("AWAC")

### General

Allied World Assurance Company Limited is a global specialty insurance and reinsurance company with offices in Bermuda, Europe and the United States. Launched in 2001, AWAC originally consisted of four employees located in a small office in Bermuda. Today, AWAC has offices in Atlanta, Bermuda, Boston, Chicago, Dublin, Farmington (CT), London, New York, San Francisco and Zug.

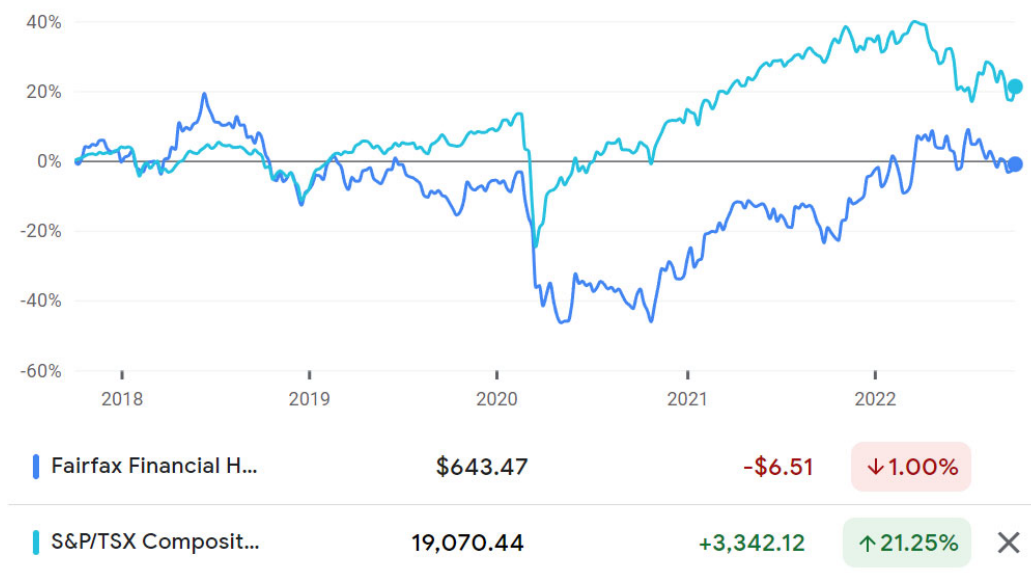
AWAC has been a participant in the CLLAS Program since 2002. Currently, AWAC participates in the high layers of the CLLAS Program – the Optional Excess and Umbrella layers.

The CLLAS/AWAC reinsurance agreement includes a provision for outstanding claims advances by AWAC in favour of CLLAS.

On July 5, 2017, AWAC was acquired by Fairfax Financial Holdings. Stock information is no longer available for AWAC, so we have included the stock performance of their ultimate parent company, Fairfax Financial Holdings Ltd., which is outlined below.

## Stock Performance

The following is the 5-year stock performance as of October 6, 2022, for Fairfax Financial Holdings (ticker: FFH, Toronto Stock Exchange) with the S&P/TSX Composite Index for comparison.



## AM Best Report Highlights

The complete A.M. Best report is set forth in Appendix G.

- Current financial strength rating is A (Excellent) Stable from A.M. Best.

The balance sheet performance for AWAC is categorized as “strongest” which means that Allied World Assurance Company Holdings Limited (Allied World) has a strong balance sheet strength which is mainly due to a diversified investment portfolio, favorable reserve development and controlled growth

AWAC is backed by a Fairfax Financial Holdings (Fairfax) which has a financially stable balance sheet. AWAC can benefit from Fairfax's supportive financial leverage and favorable liquidity, with cash and short-term investments readily available to support its insurance operations.

## Financial Highlights

- Net Premium Written increased from USD 3,017,600 in 2020 to USD 3,907,800 in 2021.



- Income for the year, after taxation, increased from USD 279,800,000, in 2020 to USD 548,300,000 in 2021.
- Overall, the company's combined ratio improved from 95.7% to 93.6%.

## Outlook

The stable rating outlooks reflect AM Best's expectation that the group's strongest level of balance sheet strength will continue to be supported by adequate operating performance; diverse business profile, both geographically and by line of business; and well-defined enterprise risk management guidelines and controls.

A.M. Best report was updated on May 25, 2022.

## 2.3 Colchester Reinsurance Limited ("Colchester")

### General

Colchester is a captive reinsurer for CLLAS and is wholly owned by the current and past subscriber firms of CLLAS, or their affiliates. Colchester is domiciled in Barbados.

### Stock Performance

Colchester is not publicly traded.

### Highlights of A.M. Best Report

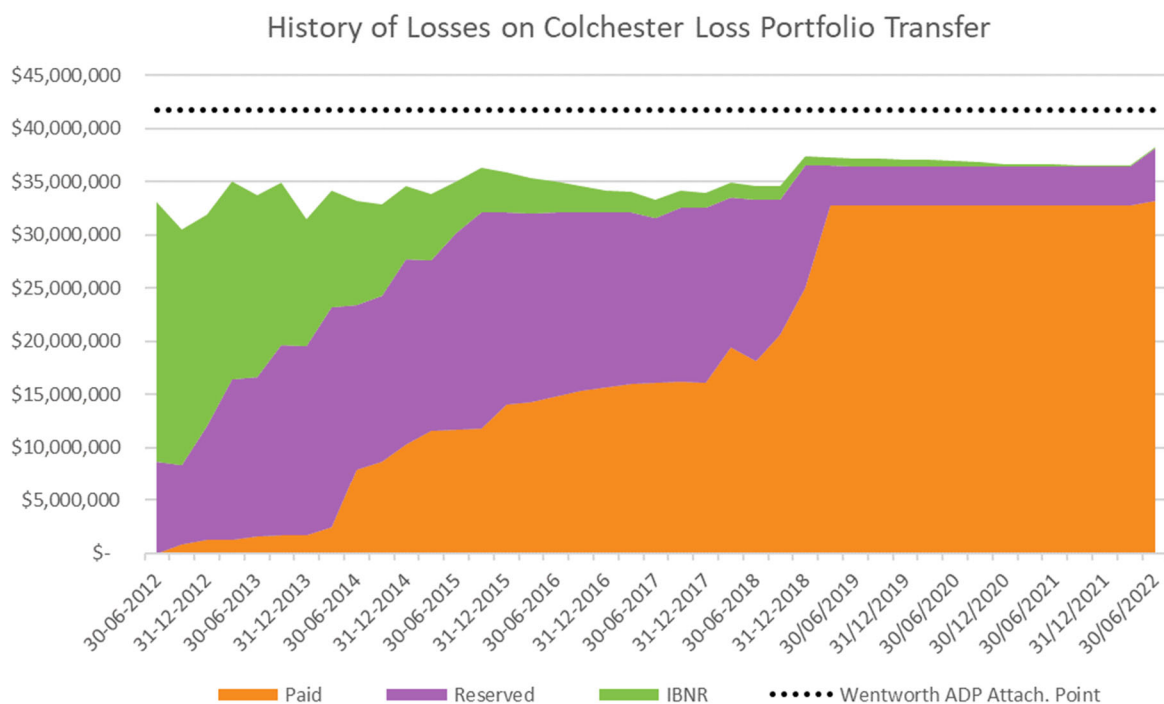
Colchester is not rated by any ratings agencies.

### Financial Highlights

Please see Appendix H for a copy of the most recent draft financial statements (as of June 30, 2022). The following are some of the highlights from these financials:

- Total Equity decreased from \$24,869,126 in 2021 to \$22,618,823 in 2022
- Income for the year, after taxation, decreased from \$121,171 in 2021 to (\$1,616,431) in 2022
  - Reinsurance premiums written and earned increased from \$1,713,252 in 2021 to \$3,231,090 in 2022
  - Retrocession premiums increased from \$1,539,731 in 2021 to \$2,434,609 in 2022
- Colchester has been deliberately distributing surplus via premium reductions and losses are expected to emerge over time as a result

- All the assets supporting the claims liabilities of Colchester are held in trust in a custodial account in favour of CLLAS, subject to a reinsurance security agreement as outlined by the Office of the Superintendent of Financial Institutions (Canadian federal regulator) and approved by the Alberta Superintendent of Insurance (the regulator in CLLAS' home jurisdiction)
- On June 30, 2012, Colchester and CLLAS effected a Loss Portfolio Transfer, which transferred approximately \$33.1 million of CLLAS' liabilities to Colchester for all prior years of account. Since that time, those liabilities have remained relatively stable, as can be seen in the chart below. Colchester also purchased 10% quota share adverse development retrocession protection on the Loss Portfolio, which attaches at \$41.7 million, also shown below as a dotted line for reference.



## 2.4 Argo Group International Holdings Ltd. ("Argo Group")

### General

Argo Group's operating companies provide primary and excess insurance, reinsurance products and tailored risk solutions for the managing general agency market. Argo Group underwrites on an international platform.

The segment's business platform, Argo International Holdings Ltd. (Argo International) based in London, is comprised of four principal components:

- Argo Managing Agency, which underwrites insurance risks on behalf of the syndicate for the providers of capital
- Syndicate 1200, which bears the insurance risk
- Argo Underwriting Agency, which participates with other capital providers on the syndicate via its subsidiary corporate member companies
- Argo Direct Limited, a wholly owned service company, which enters into insurance contracts on behalf of Syndicate 1200 from both the U.K. and a branch based in Paris (Argo Assurances, Argo International's worldwide property division).

## Stock Performance

The following is a 5-year stock performance as of October 6, 2021, for Argo Group International Holdings (ticker: AGII) with the S&P/TSX Composite for comparison.



## Highlights of A.M. Best Report

The complete A.M. Best report is set forth in Appendix I.

- Current financial strength rating is A- (Excellent) Stable from A.M. Best
- The group's 5-year average combined ratio slightly under-performs the commercial casualty composite reflecting organization changes the company experienced in recent years. For 2021, the combined ratio was 105.6%, compared with 105.4% for 2020, and 109.1% for 2019. Net underwriting losses of \$106.8 millions in 2021 was caused by adverse loss

development of \$138.3 million, mostly in the construction sector. Recent underwriting losses have been driven higher by COVID related losses and higher natural catastrophe losses (i.e., hurricanes)

- Being a large U.S. wholesale insurer and an active participant in the Lloyd's market, Argo's expense ratio is high compared to its peers. The new executive management team is taking steps to lower its expense ratio by simplifying organizational structure, shrinking non-core business and eliminating wasteful spending that does not support strategic goals.
- Historically favorable prior year reserve development. The group posted material adverse prior year reserve development in the third and fourth quarter of 2019, none in 2020, and again in the fourth quarter of 2021.

A.M. Best report was updated on April 13, 2022.

Note: Argo Syndicate benefits from dedicated capital, as well as funds held by Lloyd's on its behalf, which further strengthen the syndicates position relative to the parent's.

## Financial Highlights

- Retained earnings decreased from USD 684,100,000 in 2020 to USD 636,400,000 in 2021.
- Net Income for the year, after taxation, increased from USD (54,100,000) in 2020 to USD 6,700,000 in 2021.
- Total Capital and Surplus decreased from \$1,857,800,000 in 2020 to \$1,735,200,000 in 2021.



Actuaries and Insurance Management Advisors

September 23, 2014

Mr. Nick Leblovic  
Chairman, CLLAS  
c/o Davies Ward Phillips & Vineberg LLP  
40<sup>th</sup> Floor, 155 Wellington Street West  
Toronto, Ontario M5V 3J7

Dear Nick,

This is in response to a previous request to provide a letter regarding the reinsurance that is placed on behalf of CLLAS. We are reissuing this letter under Axxima cover to confirm that the previous letter, dated June 9, 2009 under Dion, Durrell + Associates Inc. cover, remains accurate under Axxima's management.

As you know, we work closely with Miller Insurance Services Ltd. (Miller) on all CLLAS reinsurance matters, with Miller being responsible for the London placement (including Lloyd's and certain European companies) and the Colchester retrocession placement. Axxima, via its subsidiary, Alternative Risk Services, a division of 3303128 Canada Inc. ("AR Services"), prepares the reinsurance submission that goes out to all markets and specifically places the domestic and Bermuda reinsurance as well as the aggregate stop-loss reinsurance placed through Colchester.

In the past, a minimum reinsurance security rating standard of no less than A-, as determined by A.M. Best and Standard & Poor's, had been established with CLLAS. Any deviation from such standard is to be referred to the CLLAS Advisory Board. Thoughtful and deliberate monitoring preserves the important relationships that CLLAS has developed over the years with its reinsurers.

Please be advised that neither Axxima, nor AR Services, carries out its own assessment of the solvency of any insurer or reinsurer and do not guarantee the solvency or continuing solvency of any insurer or reinsurer. You should note that the financial solvency of any insurer or reinsurer could change after the reinsurance protection has been placed. We are committed to providing CLLAS with up-to-date information on any material changes in the financial status or the security ratings of CLLAS reinsurers. To this end, we carry out CLLAS' adopted reinsurance security process.

In general, we are prepared to provide CLLAS with updates from A.M. Best and S&P based on our monitoring of the security ratings of each of the participating reinsurers. We will advise CLLAS on any adverse developments which may require CLLAS to replace a certain reinsurer mid-term or to decide to monitor and continue to use a certain reinsurer for a prescribed period of time.

We hope that the foregoing is satisfactory, however, should you have any questions, please do not hesitate to contact the undersigned.

Yours sincerely,

A handwritten signature in black ink, appearing to read "J. Tontini".

Joseph D. Tontini  
Consultant

To Follow

## CLLAS Reinsurance

A.M Best Ratings over a 5 year period

October 2022

Appendix C

Reinsurers	Registered Status	AMB#		2018	2019	2020	2021	2022
Lloyd's	Registered	85202	Rating	A	A	A	A	A
			Outlook	Stable	Stable	Stable	Stable	Stable
Aspen Re	Registered	14149	Rating	A	A	A	A	A
			Outlook	Stable	Stable	Stable	Stable	Stable
Hannover Rueck	Registered	85070	Rating	A+	A+	A+	A+	A+
			Outlook	Stable	Stable	Stable	Stable	Stable
Transatlantic Reinsurance Company (UK)	Registered	03126	Rating	A+	A+	A+	A+	A+
			Outlook	Stable	Stable	Stable	Stable	Stable
Arch Insurance Company (Canada Branch)	Registered	66513	Rating	A+	A+	A+	A+	A+
			Outlook	Negative	Stable	Stable	Stable	Stable
Allied World Assurance Company Ltd.	Unregistered	84808	Rating	A	A	A	A	A
			Outlook	Stable	Stable	Stable	Stable	Stable
CRC (Bermuda) Reinsurance Ltd.	Unregistered		Rating	N/A	N/A	N/A	N/A	N/A
			Outlook	N/A	N/A	N/A	N/A	N/A
RSA Insurance Group (Intact Financial Corporation is the Parent company)	Registered		Rating	N/A	N/A	N/A	N/A	A
			Outlook	N/A	N/A	N/A	N/A	Stable
SCOR Canada Reinsurance Company	Registered	85445	Rating	A+	A+	A+	A+	A+
			Outlook	Stable	Stable	Stable	Stable	Negative
Swiss Reinsurance Company Ltd. (Canada Branch)	Registered	91982	Rating	A+	A+	A+	A+	A+
			Outlook	Stable	Stable	Stable	Stable	Stable
Toa Reinsurance Company of America	Registered	85179	Rating	A	A	A	A	A
			Outlook	Stable	Stable	Stable	Stable	Stable
Alleghany Corporation (formerly Transatlantic Reinsurance Company) (Parent)	Registered	58309	Rating	N/A	N/A	N/A	N/A	N/A
			Outlook	Stable	Stable	Stable	Stable	Stable
Transatlantic Reinsurance Company (Canada)	Registered	03126	Rating	A+	A+	A+	A+	A+
			Outlook	Stable	Stable	Stable	Stable	Stable
Colchester Reinsurance Ltd.	Unregistered		Rating	N/A	N/A	N/A	N/A	N/A
			Outlook	N/A	N/A	N/A	N/A	N/A
Munich Re	Registered	85011	Rating	A+	A+	A+	A+	A+
			Outlook	Stable	Stable	Stable	Stable	Stable
Argo Group Operating Subsidiaries (AMA 1200 Parent)	Registered	91791	Rating	A	A	A	A-	A-
			Outlook	Stable	Stable	Stable	Stable	Stable
Axis Reinsurance Company	Registered	12557	Rating	A+	A+	A	A	A
			Outlook	Negative	Negative	Stable	Stable	Stable
Continental Casualty Company (CNA)	Registered	02128	Rating	A	A	A	A	A
			Outlook	Stable	Stable	Stable	Stable	Stable
Allianz Global Risks	Registered	00407	Rating	A+	A+	A+	A+	A+
			Outlook	Stable	Stable	Stable	Stable	Stable
CNA Canada	Registered	86301	Rating	N/A	N/A	N/A	N/A	N/A
			Outlook	N/A	N/A	N/A	N/A	N/A

## CLLAS Reinsurance

S&P Ratings over a 5 year period

October 2022

Appendix C

Reinsurers		2018	2019	2020	2021	2022
Lloyd's	Rating	A+	A+	A+	A+	A+
	Outlook	Negative	Negative	Stable	Stable	Stable
Aspen Re	Rating	A	A	A	BBB	BBB
	Outlook	Negative	Negative	Negative	Stable	Stable
Hannover Rueck	Rating	AA-	AA-	AA-	AA-	AA-
	Outlook	Stable	Stable	Stable	Stable	Stable
Transatlantic Reinsurance Company (UK)	Rating	A+	A+	A+	A+	A+
	Outlook	Stable	Stable	Stable	Stable	Stable
Arch Insurance Company (Canada Branch)	Rating	A+	A+	A+	A+	A+
	Outlook	Stable	Stable	Negative	Negative	Stable
Allied World Assurance Company Ltd.	Rating	A-	A-	A-	A-	A
	Outlook	Positive	Positive	Stable	Positive	Stable
CRC (Bermuda) Reinsurance Ltd.	Rating	N/A	N/A	N/A	N/A	N/A
	Outlook	N/A	N/A	N/A	N/A	N/A
RSA Insurance Group (Intact Financial Corporation is the Parent company)	Rating	A	A	A	N/A	N/A
	Outlook	Stable	Stable	Stable	N/A	N/A
SCOR Canada Reinsurance Company	Rating	AA-	AA-	AA-	AA-	AA-
	Outlook	Stable	Stable	Stable	Stable	Negative
Swiss Reinsurance Company Ltd. (Canada Branch)	Rating	AA-	AA-	AA-	AA-	AA-
	Outlook	Stable	Stable	Negative	Negative	Negative
Toa Reinsurance Company of America	Rating	A+	A+	A+	A+	A+
	Outlook	Stable	Stable	Stable	Stable	Negative
Alleghany Corporation (formerly Transatlantic Reinsurance Company) (Parent)	Rating	BBB+	BBB+	BBB+	BBB+	BBB+
	Outlook	Stable	Stable	Stable	Stable	Stable
Transatlantic Reinsurance Company (Canada)	Rating	A+	A+	A+	A+	A+
	Outlook	Stable	Stable	Stable	Stable	Stable
Colchester Reinsurance Ltd.	Rating	N/A	N/A	N/A	N/A	N/A
	Outlook	N/A	N/A	N/A	N/A	N/A
Munich Re	Rating	AA-	AA-	AA-	AA-	AA-
	Outlook	Stable	Stable	Stable	Stable	Stable
Argo Group Operating Subsidiaries (AMA 1200 Parent)	Rating	A-	A-	A-	A-	A-
	Outlook	Stable	Stable	Stable	Negative	Negative
Axis Reinsurance Company	Rating	A+	A+	A+	A+	A+
	Outlook	Negative	Stable	Negative	Negative	Stable
Continental Casualty Company (CNA)	Rating	A	A	A+	A+	A+
	Outlook	Stable	Positive	Stable	Stable	Stable
Allianz Global Risks	Rating	AA	AA	AA	AA	AA
	Outlook	Stable	Stable	Negative	Negative	Stable
CNA Canada	Rating	A	A	A+	A+	A+
	Outlook	Stable	Positive	Stable	Stable	Stable



# Insurer Financial Ratings

## CLLAS Canadian Excess Program

INSURANCE COMPANY		COUNTRY	BEST'S RATING	S&P RATING
LIBERTY INTERNATIONAL UNDERWRITERS CANADA, A DIVISION OF LIBERTY MUTUAL INSURANCE COMPANY		U.S.A.	A	A
TRAVELERS COMMERCIAL INSURANCE COMPANY OF CANADA		Canada	A++	AA
SOVEREIGN GENERAL INSURANCE COMPANY		Canada	A	
NORTHBRIDGE COMMERCIAL INSURANCE CORP.		Canada	A	A
INTACT INSURANCE COMPANY		Canada	A+	
QBE INSURANCE (INTERNATIONAL) LTD.		U.S.A.	A	A+
AXIS Reinsurance Company		Canada	A	A+
XL Specialty Insurance Company		U.S.A.	A+	AA-
TOKIO MARINE CANADA LTD.		Canada	A-	n/a
ENCON GROUP INC. - Participants				
1	Continental Casualty Company	U.S.A.	A	A+
2.	XL/Catlin Reinsurance America Inc.	U.S.A.	A+	AA-
3.	Temple Insurance Company	Canada	A+	A+
4.	Aviva Insurance Company of Canada	Canada	A	AA-

Ratings reflect the most recent issue, update or change communicated by the rating agency. Effective dates on S&P interactive ratings above do not reflect affirmations. Ratings do not necessarily correspond to a specific data year. "Secure" scales are described below. Refer to A.M. Best's (Best's) and Standard and Poor's (S&P) definitions for details. Conversions to U.S. Dollars are subject to exchange rate differences. Sources of financial data (company accounts or regulatory returns) for non-US companies are indicated on the individual company reports

<u>Best's Ratings</u>		<u>S&amp;P Ratings</u>	
A++, A+ Superior	Best's rating modifiers may be assigned based on group affiliation: (r=Reinsured, p=Pooled, or g=Group) FPR ratings range from 1-9, where 1=Poor and 9=Very Strong	AAA Extremely Strong	S & P Financial Strength ratings may be modified by the use of a "+" or "-" sign to show relative standing within a category. The "pi" indicates a "public information" rating. A "pos", "neg", or "dev" indicates a positive, negative, or developing CreditWatch implication
A, A- Excellent		AA Very Strong	
B++, B+ Very Good		A Strong	
U Under review		BBB Good	

# Insurer Financial Ratings

## CLLAS International Program

INSURANCE COMPANY	COUNTRY	BEST'S RATING	S&P RATING
CONTINENTAL CASUALTY COMPANY	U.S.A.	A	A+
AXA XL	U.S.A.	A+	AA-
BERKSHIRE	U.S.A.	A++	AA+
ASPEN RE	U.S.A.	A	A-
LLOYDS	UNITED KINGDOM	A	A+

## CLLAS Reinsurance

### Top 25 Reinsurers by % of Current Liability

#### ALL YEARS

Appendix D

Lev. II	Name	Jurisdiction	Reg'd?	LAYERS										TOTAL	All-time Percent of Total	Prev. Year Percent of Total	Move- ment?
				\$ .975MM XS	\$4/\$49MM XS	\$7.5MM XS	\$12.5MM XS	\$10MM XS	\$30/60MM XS	\$20MM XS	\$10-60MM XS	\$15-110MM XS	\$30/60MM XS				
				\$ .025MM	\$1MM	\$5MM	\$12.5MM	\$25MM	\$65MM	\$140MM	\$160MM	\$50MM	\$250MM				
➔	Underwriters at Lloyd's	London	Yes	0	37,040,961	1,039,190	15,314	11,856	70,248	95	147,834	0	0	38,325,497	50.7%	51.7%	Down
➔	Colchester	Barbados	No	0	15,489,418	0	0	0	0	0	27,621	32,535	0	15,549,575	20.6%	19.7%	Up
➔	AMA 1200	Lloyd's	Yes	0	13,690,179	0	0	0	33	0	0	0	0	13,690,212	18.1%	19.0%	Down
	AML 2001	Lloyd's	Yes	0	7,180,449	0	1,895	1,251	0	7	0	0	0	7,183,602	9.5%	9.6%	Down
	AUL 1274	Lloyd's	Yes	0	5,305,869	0	0	0	0	0	0	0	0	5,305,869	7.0%	7.1%	Down
	Allianz Global Risks	London	Yes	0	4,485,438	0	0	0	0	0	0	0	0	4,485,438	5.9%	7.6%	Down
	Vibe 5678	Lloyd's	Yes	0	4,363,692	0	0	0	0	0	0	0	0	4,363,692	5.8%	7.4%	Down
	AXIS Re	Canada	Yes	0	3,648,576	0	0	0	0	0	15,485	0	0	3,664,061	4.8%	4.9%	Down
	PPI 9969	Lloyd's	Yes	0	2,812,554	0	0	0	0	0	2,064	0	0	2,814,618	3.7%	5.1%	Down
	Hannover (Combined)	Combined	Yes	0	2,207,377	0	11,292	0	0	0	0	0	0	2,218,669	2.9%	0.8%	Up
	Argenta 2121	Lloyd's	Yes	0	2,207,377	0	0	0	0	0	0	0	0	2,207,377	2.9%	0.8%	Up
	AFB 623/2623	Lloyd's	Yes	0	0	916,386	0	0	5,091	0	0	0	0	921,478	1.2%	0.1%	Up
	AGD 2526	Lloyd's	Yes	0	840,847	776	0	0	44	0	218	0	0	841,884	1.1%	1.2%	Down
	CNA (Combined)	Combined	Mixed	0	756,141	0	0	0	0	0	0	0	0	756,141	1.0%	1.6%	Down
	CNA Canada	Canada	Yes	0	727,938	0	0	0	0	0	0	0	0	727,938	1.0%	1.5%	Down
	Transatlantic Reinsurance Company (Combined)	Combined	Yes	0	47,006	504,436	4,786	0	0	0	0	0	0	556,228	0.7%	0.1%	Up
	Arch	Canada	Yes	0	0	507,135	0	0	0	0	661	0	0	507,796	0.7%	0.0%	Up
	Transatlantic Reinsurance Company	London	Yes	0	0	500,000	0	0	0	0	0	0	0	500,000	0.7%	0.1%	Up
	Hamilton (Combined)	Combined	Yes	0	468,963	0	4,035	0	6,300	14	16,444	0	0	495,757	0.7%	0.9%	Down
	Aspen Re	London	Yes	0	0	485,879	5,178	2,367	0	0	0	0	0	493,425	0.7%	0.0%	Up
	Hamilton 3334	Lloyd's	Yes	0	379,310	0	0	0	593	0	1,537	0	0	381,441	0.5%	0.7%	Down
	Swiss Re (Combined)	Combined	Mixed	0	0	0	0	7,479	45,167	215	41,207	262,437	0	356,505	0.5%	0.6%	Down
	Westport Insurance Corp. (Swiss Re)	Canada	Yes	0	0	0	0	0	44,589	0	40,882	262,437	0	347,908	0.5%	0.5%	Down
	CRC (Bermuda) Reinsurance Ltd.	Bermuda	No	0	0	202,338	2,008	0	0	0	0	0	0	204,346	0.3%	0.0%	Up
	SAM 727	Lloyd's	Yes	0	0	122,027	0	0	0	0	0	0	0	122,027	0.2%	0.0%	Up
<b>Total Current Liabilities</b>				<b>2,651,296</b>	<b>68,036,351</b>	<b>4,089,186</b>	<b>70,258</b>	<b>30,853</b>	<b>129,049</b>	<b>860</b>	<b>310,910</b>	<b>294,972</b>	<b>0</b>	<b>75,613,734</b>			
<b>Proportional Reinsurance:</b>																	
	London			0	41,526,399	2,025,069	31,784	14,223	70,248	95	147,834	0	0	43,815,651	57.9%	59.3%	Down
	Canada			0	4,451,723	618,271	15,724	10,829	50,706	215	113,038	262,437	0	5,522,944	7.3%	7.3%	Up
	Bermuda			0	0	202,338	2,008	0	8,095	550	22,416	0	0	235,407	0.3%	0.1%	Up
	Barbados			0	15,489,418	0	0	0	0	0	27,621	32,535	0	15,549,575	20.6%	19.7%	Up
	Total			0	61,467,540	2,845,678	49,516	25,053	129,049	860	310,910	294,972	0	65,123,578	86.1%	86.4%	Down
<b>CLLAS Proportional Retention</b>				<b>2,651,296</b>	<b>6,568,810</b>	<b>1,243,508</b>	<b>20,742</b>	<b>5,801</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,490,157</b>	<b>13.9%</b>	<b>13.6%</b>	<b>Up</b>
➔	Colchester Loss Portfolio Transfer & Stop Loss			22,823	6,568,810	1,243,508	20,742	5,801	0	0	0	0	0	7,861,684	10.4%	9.8%	Up
<b>CLLAS Net Retention</b>														<b>2,628,472</b>	<b>3.5%</b>	<b>3.8%</b>	<b>Down</b>

## CLLAS Reinsurance

Appendix E

### Reinsurers by % of Current Liability PRIOR YEAR (2021/2022)

Lev. II	Name	Jurisdiction	Reg'd?	LAYERS					TOTAL	Percent of Total	Prev. Year Percent of Total	Move-ment?
				\$ .975MM	\$49MM	\$30/60MM	\$10-60MM	\$15-110MM				
				XS \$.025MM	XS \$1MM	XS \$65MM	XS \$160MM	XS \$50MM				
➡	Underwriters at Lloyd's	London	Yes	0	8,829,509	17,829	31,543	0	8,878,881	57.8%	58.1%	Down
➡	Colchester	Barbados	No	0	4,856,230	0	6,144	32,535	4,894,909	31.8%	32.0%	Down
➡	AMA 1200	Lloyd's	Yes	0	3,163,907	0	0	0	3,163,907	20.6%	20.7%	Down
	Hannover (Combined)	Combined	Yes	0	2,207,377	0	0	0	2,207,377	14.4%	14.4%	Down
	Argenta 2121	Lloyd's	Yes	0	2,207,377	0	0	0	2,207,377	14.4%	14.4%	Down
	AML 2001	Lloyd's	Yes	0	1,986,640	0	0	0	1,986,640	12.9%	13.0%	Down
	AUL 1274	Lloyd's	Yes	0	1,471,585	0	0	0	1,471,585	9.6%	9.6%	Down
	AXIS Re	Canada	Yes	0	1,030,109	0	3,072	0	1,033,181	6.7%	6.8%	Down
	Swiss Re (Combined)	Combined	Mixed	0	0	11,346	5,628	39,042	56,016	0.4%	0.4%	Down
	Westport Insurance Corp. (Swiss Re)	Canada	Yes	0	0	11,346	5,628	39,042	56,016	0.4%	0.4%	Down
	MKL 3000	Lloyd's	Yes	0	0	3,222	8,454	0	11,676	0.1%	0.1%	Down
	BRT 2987	Lloyd's	Yes	0	0	7,456	3,686	0	11,142	0.1%	0.1%	Down
	Canopus 4444	Lloyd's	Yes	0	0	2,629	5,640	0	8,269	0.1%	0.1%	Down
	Gerling Global Re	Canada	Yes	0	0	1,297	6,144	0	7,441	0.0%	0.0%	Down
➡	AWAC	Bermuda	No	0	0	1,945	4,301	0	6,246	0.0%	0.0%	Down
	Hamilton (Combined)	Combined	Yes	0	0	1,605	3,410	0	5,014	0.0%	0.0%	Down
	PEM 4000	Lloyd's	Yes	0	0	1,605	3,410	0	5,014	0.0%	0.0%	Down
	Sampo (Fronted by Trisura)	Canada	Yes	0	0	0	4,608	0	4,608	0.0%	0.0%	Down
	FDY 435	Lloyd's	Yes	0	0	1,462	2,808	0	4,270	0.0%	0.0%	Down
	Mosaic	Lloyd's	Yes	0	0	0	3,858	0	3,858	0.0%	0.0%	Down
	Probitas 1492	Lloyd's	Yes	0	0	0	3,686	0	3,686	0.0%	0.0%	Down
	AFB 623/2623	Lloyd's	Yes	0	0	1,456	0	0	1,456	0.0%	0.0%	Down

<b>Total Current Liabilities</b>	<b>492,571</b>	<b>14,715,848</b>	<b>32,417</b>	<b>61,439</b>	<b>71,577</b>	<b>15,373,852</b>			
<b>Proportional Reinsurance:</b>									
<b>London</b>	<b>0</b>	<b>8,829,509</b>	<b>17,829</b>	<b>31,543</b>	<b>0</b>	<b>8,878,881</b>	<b>57.8%</b>	<b>67.2%</b>	<b>Down</b>
<b>Canada</b>	<b>0</b>	<b>1,030,109</b>	<b>12,643</b>	<b>19,452</b>	<b>39,042</b>	<b>1,101,245</b>	<b>7.2%</b>	<b>7.4%</b>	<b>Down</b>
<b>Bermuda</b>	<b>0</b>	<b>0</b>	<b>1,945</b>	<b>4,301</b>	<b>0</b>	<b>6,246</b>	<b>0.0%</b>	<b>0.1%</b>	<b>Down</b>
<b>Barbados</b>	<b>0</b>	<b>4,856,230</b>	<b>0</b>	<b>6,144</b>	<b>32,535</b>	<b>4,894,909</b>	<b>31.8%</b>	<b>22.3%</b>	<b>Up</b>
<b>Total</b>	<b>0</b>	<b>14,715,848</b>	<b>32,417</b>	<b>61,439</b>	<b>71,577</b>	<b>14,881,281</b>	<b>96.8%</b>	<b>96.9%</b>	<b>Down</b>
<b>CLLAS Proportional Retention</b>	<b>492,571</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>492,571</b>	<b>3.2%</b>	<b>3.1%</b>	<b>Up</b>
➡ <b>Colchester Aggregate</b>						<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	
<b>CLLAS Net Retention</b>						<b>492,571</b>	<b>3.2%</b>	<b>3.1%</b>	<b>Up</b>

## CLLAS Reinsurance

### Reinsurers by % of Single Claim Exposure

#### CURRENT YEAR (2022/2023)

Appendix F

Lev. II	Name	Jurisdiction	Reg'd?	LAYERS						TOTAL	Percent of Total	Prev. Year Percent of Total	Move-ment?
				\$ .975MM XS	\$49MM XS	\$30/60MM XS	\$10-60MM XS	\$110MM XS	\$30/60MM XS				
				\$ .025MM	\$1MM	\$65MM	\$160MM	\$50MM	\$250MM				
➡	Underwriters at Lloyd's	London	Yes	0	29,400,000	16,500,000	30,804,000	0	19,017,000	95,721,000	54.5%	44.5%	Up
➡	Colchester	Barbados	No	0	16,170,000	0	6,000,000	2,500,000	7,500,000	32,170,000	18.3%	9.8%	Up
	Swiss Re (Combined)	Combined	Mixed	0	0	10,500,000	5,496,000	3,000,000	1,500,000	20,496,000	11.7%	23.4%	Down
	Westport Insurance Corp. (Swiss Re)	Canada	Yes	0	0	10,500,000	5,496,000	3,000,000	1,500,000	20,496,000	11.7%	23.4%	Down
	MKL 3000	Lloyd's	Yes	0	0	2,982,000	8,256,000	0	0	11,238,000	6.4%	4.0%	Up
➡	AMA 1200	Lloyd's	Yes	0	10,535,000	0	0	0	0	10,535,000	6.0%	6.7%	Down
	BRT 2987	Lloyd's	Yes	0	0	6,900,000	3,600,000	0	0	10,500,000	6.0%	5.4%	Up
	Canopus 4444	Lloyd's	Yes	0	0	2,433,000	5,508,000	0	2,481,000	10,422,000	5.9%	0.0%	Up
	Probitas 1492	Lloyd's	Yes	0	0	0	3,600,000	0	4,134,000	7,734,000	4.4%	0.0%	Up
	Hannover (Combined)	Combined	Yes	0	7,350,000	0	0	0	0	7,350,000	4.2%	0.0%	Up
	Argenta 2121	Lloyd's	Yes	0	7,350,000	0	0	0	0	7,350,000	4.2%	0.0%	Up
	Gerling Global Re	Canada	Yes	0	0	1,200,000	6,000,000	0	0	7,200,000	4.1%	4.9%	Down
	Hamilton (Combined)	Combined	Yes	0	0	1,485,000	3,330,000	0	2,067,000	6,882,000	3.9%	0.0%	Up
	PEM 4000	Lloyd's	Yes	0	0	1,485,000	3,330,000	0	2,067,000	6,882,000	3.9%	2.0%	Up
	AML 2001	Lloyd's	Yes	0	6,615,000	0	0	0	0	6,615,000	3.8%	3.3%	Up
	Sampo (Fronted by Trisura)	Canada	Yes	0	0	0	4,500,000	0	1,983,000	6,483,000	3.7%	0.0%	Up
	AXIS Re	Canada	Yes	0	3,430,000	0	3,000,000	0	0	6,430,000	3.7%	3.7%	Down
➡	AWAC	Bermuda	No	0	0	1,800,000	4,200,000	0	0	6,000,000	3.4%	4.1%	Down
	Mosaic	Lloyd's	Yes	0	0	0	3,768,000	0	1,239,000	5,007,000	2.9%	0.0%	Up
	AUL 1274	Lloyd's	Yes	0	4,900,000	0	0	0	0	4,900,000	2.8%	2.2%	Up
	W/R/B	Lloyd's	Yes	0	0	0	0	0	4,134,000	4,134,000	2.4%	0.0%	Up
	FDY 435	Lloyd's	Yes	0	0	1,353,000	2,742,000	0	0	4,095,000	2.3%	2.0%	Up
	AFB 623/2623	Lloyd's	Yes	0	0	1,347,000	0	0	2,481,000	3,828,000	2.2%	0.8%	Up
	Starr	Lloyd's	Yes	0	0	0	0	0	2,481,000	2,481,000	1.4%	0.0%	Up

#### Maximum Exposure Any One Claim

975,000 49,000,000 30,000,000 60,000,000 5,500,000 30,000,000 175,475,000

#### Proportional Reinsurance:

London	0	29,400,000	16,500,000	30,804,000	0	19,017,000	95,721,000	54.5%	51.8%	Up
Canada	0	3,430,000	11,700,000	18,996,000	3,000,000	3,483,000	40,609,000	23.1%	34.9%	Down
Bermuda	0	0	1,800,000	4,200,000	0	0	6,000,000	3.4%	5.6%	Down
Barbados	0	16,170,000	0	6,000,000	2,500,000	7,500,000	32,170,000	18.3%	7.0%	Up
Total	0	49,000,000	30,000,000	60,000,000	5,500,000	30,000,000	174,500,000	99.4%	99.3%	Up
CLLAS Proportional Retention	975,000	0	0	0	0	0	975,000	0.6%	0.7%	Down
Colchester Aggregate							n/a	n/a	n/a	
CLLAS Net Retention							975,000	0.6%	0.0%	Up

## CLLAS Reinsurance

### Reinsurers by % of Single Claim Exposure

CURRENT YEAR (2022/2023)

Appendix F-PF

Lev. II	Name	Jurisdiction	Reg'd?	LAYERS							US\$30MM* (\$39MM)	TOTAL	Percent of Total
				\$,975MM	\$49MM	\$30/60MM	\$10-60MM	\$15-50MM	\$60MM	\$30/60MM			
				XS \$.025MM	XS \$1MM	XS \$65MM	XS \$160MM	XS \$50MM	XS \$100MM	XS \$250MM			
	Underwriters at Lloyd's	London	Yes	0	29,400,000	16,500,000	30,804,000	0	0	19,017,000	6,630,000	102,351,000	32.1%
	Colchester	Barbados	No	0	16,170,000	0	6,000,000	0	0	7,500,000	0	29,670,000	9.3%
	Westport Insurance Corp. (Swiss Re)	Canada	Yes	0	0	10,500,000	5,496,000	0	0	1,500,000	0	17,496,000	5.5%
	Swiss Re (Combined)	Combined	Mixed	0	0	10,500,000	5,496,000	0	0	1,500,000	0	17,496,000	5.5%
	Victor Insurance (PF)	Canada	Yes	0	0	0	0	5,000,000	12,000,000	0	0	17,000,000	5.3%
	Liberty International Canada (PF)	Canada	Yes	0	0	0	0	10,000,000	5,700,000	0	0	15,700,000	4.9%
	Royal & Sun Alliance Co. of Canada (PF)	Canada	Yes	0	0	0	0	10,000,000	5,700,000	0	0	15,700,000	4.9%
	Travelers Insurance Company of Canada (PF)	Canada	Yes	0	0	0	0	5,000,000	9,900,000	0	0	14,900,000	4.7%
	AXA XL (PF)	Canada	Yes	0	0	0	0	5,000,000	0	0	6,435,000	11,435,000	3.6%
	MKL 3000	Lloyd's	Yes	0	0	2,982,000	8,256,000	0	0	0	0	11,238,000	3.5%
	AMA 1200	Lloyd's	Yes	0	10,535,000	0	0	0	0	0	0	10,535,000	3.3%
	BRT 2987	Lloyd's	Yes	0	0	6,900,000	3,600,000	0	0	0	0	10,500,000	3.3%
	Canopus 4444	Lloyd's	Yes	0	0	2,433,000	5,508,000	0	0	2,481,000	0	10,422,000	3.3%
	The Sovereign General Insurance Company (PF)	Canada	Yes	0	0	0	0	0	9,900,000	0	0	9,900,000	3.1%
	QBE Insurance Group (PF)	Canada	Yes	0	0	0	0	5,000,000	4,800,000	0	0	9,800,000	3.1%
	CNA (US)	US	Yes	0	0	0	0	0	0	0	9,750,000	9,750,000	3.1%
	Berkshire (PF)	US	Yes	0	0	0	0	0	0	0	9,750,000	9,750,000	3.1%
	Northbridge Insurance Company (PF)	Canada	Yes	0	0	0	0	2,500,000	6,000,000	0	0	8,500,000	2.7%
	Probitas 1492	Lloyd's	Yes	0	0	0	3,600,000	0	0	4,134,000	0	7,734,000	2.4%
	Hannover (Combined)	Combined	Yes	0	7,350,000	0	0	0	0	0	0	7,350,000	2.3%
	Argenta 2121	Lloyd's	Yes	0	7,350,000	0	0	0	0	0	0	7,350,000	2.3%
	Gerling Global Re	Canada	Yes	0	0	1,200,000	6,000,000	0	0	0	0	7,200,000	2.3%
	Hamilton (Combined)	Combined	Yes	0	0	1,485,000	3,330,000	0	0	2,067,000	0	6,882,000	2.2%
	PEM 4000	Lloyd's	Yes	0	0	1,485,000	3,330,000	0	0	2,067,000	0	6,882,000	2.2%
	AML 2001	Lloyd's	Yes	0	6,615,000	0	0	0	0	0	0	6,615,000	2.1%
	Sampo (Fronted by Trisura)	Canada	Yes	0	0	0	4,500,000	0	0	1,983,000	0	6,483,000	2.0%
	Aspen Re (PF)	Canada	Yes	0	0	0	0	0	0	0	6,435,000	6,435,000	2.0%
	AXIS Re	Canada	Yes	0	3,430,000	0	3,000,000	0	0	0	0	6,430,000	2.0%
	AWAC	Bermuda	No	0	0	1,800,000	4,200,000	0	0	0	0	6,000,000	1.9%
	CLLAS	Canada	Yes	0	0	0	0	2,500,000	3,000,000	0	0	5,500,000	1.7%
	Mosaic	Lloyd's	Yes	0	0	0	3,768,000	0	0	1,239,000	0	5,007,000	1.6%
	Axis Reinsurance Company (PF)	Canada	Yes	0	0	0	0	5,000,000	0	0	0	5,000,000	1.6%
	AUL 1274	Lloyd's	Yes	0	4,900,000	0	0	0	0	0	0	4,900,000	1.5%
	W/R/B	Lloyd's	Yes	0	0	0	0	0	0	4,134,000	0	4,134,000	1.3%
	FDY 435	Lloyd's	Yes	0	0	1,353,000	2,742,000	0	0	0	0	4,095,000	1.3%
	AFB 623/2623	Lloyd's	Yes	0	0	1,347,000	0	0	0	2,481,000	0	3,828,000	1.2%
	Tokio Marine Canada (PF)	Canada	Yes	0	0	0	0	0	3,000,000	0	0	3,000,000	0.9%
	Starr	Lloyd's	Yes	0	0	0	0	0	0	2,481,000	0	2,481,000	0.8%

#### Maximum Exposure Any One Claim

975,000 49,000,000 30,000,000 60,000,000 50,000,000 60,000,000 30,000,000 39,000,000 318,975,000 32.1%

#### Proportional Reinsurance:

London	0	29,400,000	16,500,000	30,804,000	0	0	19,017,000	6,630,000	102,351,000	1.9%
Canada	0	3,430,000	11,700,000	18,996,000	50,000,000	60,000,000	3,483,000	12,870,000	160,479,000	9.3%
US	0	0	0	0	0	0	0	19,500,000	19,500,000	99.7%
Bermuda	0	0	1,800,000	4,200,000	0	0	0	0	6,000,000	
Barbados	0	16,170,000	0	6,000,000	0	0	7,500,000	0	29,670,000	0.3%
Total	0	49,000,000	30,000,000	60,000,000	50,000,000	60,000,000	30,000,000	39,000,000	318,000,000	

n/a

#### CLLAS Proportional Retention

975,000 0 0 0 0 0 0 0 0 975,000 0.3%

#### Colchester Aggregate

n/a

#### CLLAS Net Retention

975,000