

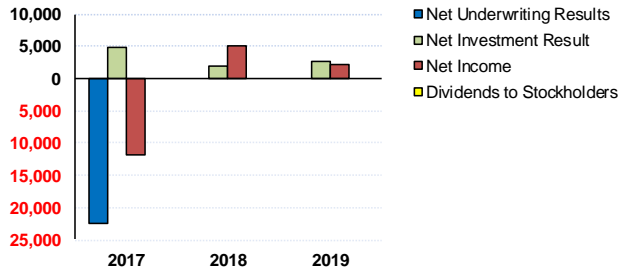


**WESTCHESTER SURPLUS LINES INSURANCE COMPANY, NAIC #10172  
CHUBB LIMITED**

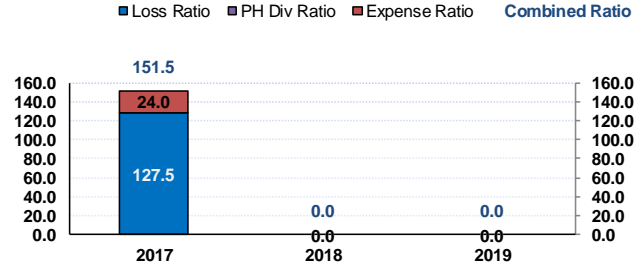
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	350,248	233,439	274,071	RBC Ratio (%)	371.0	49,412.8	8,590.6
Total Liabilities	244,707	121,871	160,312	2yr Res Development	-3,326	0	0
Policyholder Surplus	105,541	111,568	113,759	2yr Dev / Surplus	-1.9%	0.0%	0.0%
Cash & Invested Assets	196,531	51,299	38,020	Affiliated Common Stock	0	0	0
Cash & Invested Assets / Total Assets	56.1%	22.0%	13.9%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	-38,055	-115,775	31,728	Net Reins Recoverable	1,318,706	1,368,611	1,301,270
Loss & LAE Reserves	90,672	0	0	Net Reins Rec / Surplus	1249.5%	1226.7%	1143.9%
Loss & LAE Reserves/Surplus	85.9%	0.0%	0.0%	AMB / S&P Ratings	A++ / AA	A++ / AA	A++ / AA

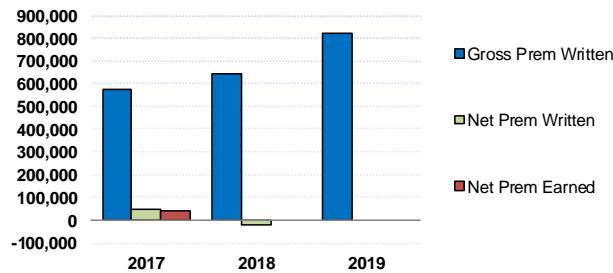
**Income/Loss Trends (\$000)**



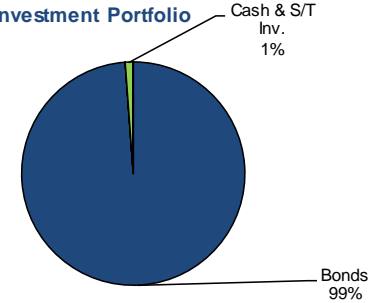
**Combined Ratio (%) Trends**



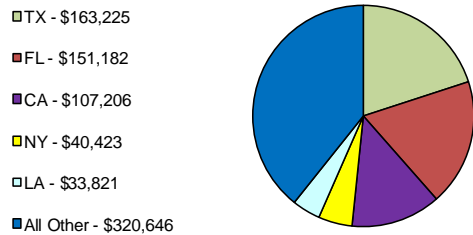
**Premium Trends (\$000)**



**2019 Investment Portfolio**

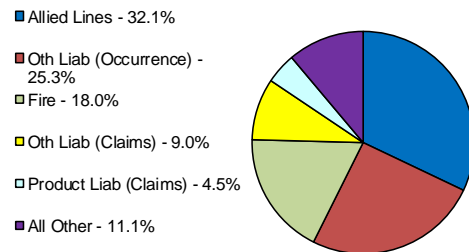


**2019 Top 5 Geographies (DPW - \$000)**



Total NY State DPW \$40,423  
Total US ex Terr DPW \$816,503

**2019 Top 5 Lines of Business (DPW/Total DPW)**



Total All Lines \$820,482

**Top 5 Reinsurers for Westchester Surplus Lines Ins by Gross Recoverables**

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - ACE American Insurance Company	US Affiliated Non-captive Non-pooling	Authorized	1,458,790	0
2 - -	-	-	-	-
3 - -	-	-	-	-
4 - -	-	-	-	-
5 - -	-	-	-	-

#DIV/0 error messages occur in instances where the denominator of the ratio are zero (i.e. zero premium or reserves due to a 100% quota share).

## HISTORY

Westchester Surplus Lines Insurance Company (Westchester Surplus Lines) was incorporated in the State of Hawaii in June 1971 as Industrial Insurance Company of Hawaii. The company re-domesticated to Georgia and the current name was adopted in November 1994. Ace, Ltd (Switzerland) had control of the Company from 1998 until its acquisition and subsequent merger with the Chubb, Ltd (Switzerland), effective January 1, 2016. The company has been eligible to write surplus lines business in New York since March 26, 1991. As of December 31, 2019, Westchester Surplus Lines is licensed in Georgia and operated on a non-admitted basis in forty-nine (49) states, the District of Columbia, Guam, the U.S. Virgin Islands, and the Northern Mariana Islands.

## REINSURANCE

Westchester Surplus Lines participates in the 25 member intercompany Chubb Pool, through its 100% quota share agreement ceding business to Federal Insurance Company (FIC), IN, as the pool lead. Reinsurance for the pool is complex and flows through various intercompany and non-affiliate layers managed by Chubb. As a result of the pooling agreement, no values are reported for net premiums written, net premiums earned, underwriting income, and the various combined ratio trends. As such, the financial strength of the company is heavily dependent upon the credit risk of Chubb, as well as investment risk of its own investment portfolio, managed in common by Chubb. For the years 2017 through 2019, respectively, Westchester net reinsurance recoverable was shown as \$1.319bn, \$1.369bn and \$1.301bn, reflecting 1,250%, 1,227% and 1,149% of company surplus.

## HOLDING COMPANY

Founded in 1985, in Bermuda, ACE, Ltd, subsequently moving its domicile to Switzerland purchased the Chubb Group in 2016. The two groups were subsequently merged, retaining the brand name and now operating under the name of Chubb. The Chubb and Son Group, was founded in 1882 with roots in New York, NY, and Chicago, IL was a highly regarded and best-in-class global insurance, reinsurance and financial services group. The rebranded group, Chubb, is one of the world's largest publicly traded insurance holding companies. With operations in 54 countries and territories, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. AM Best collectively rates Chubb and forty nine (49) insurance subsidiaries, including Westchester Surplus Lines Insurance Company. For the years 2017 through 2019, Chubb was rated by AM Best and S&P as 'A++'/'AA' and assigned a financial size of XV (\$2bn - >).

## SUBSEQUENT EVENTS

In March 2020, the Covid-19 influenza was recognized as a global pandemic, severely disrupting economic activity. As of April, 2020, the results of this event upon year-ending 2020 insurance operations and those of its parent group are not known. For those companies exposed however, the potential for reduced premiums, return of premiums, and an increase in collections and operation expense may reduce cash flows. Losses and loss adjustment expenses may increase when losses become known and investments in affiliates and equity investments may suffer a decline in values. Also, the effect of future legislation, regulation and litigation could cause an adverse financial impact on those companies exposed.

### **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.

## ULTIMATE PARENT – Chubb Limited

Corporate Profile		Financial Strength Ratings
Address:	Chubb Limited Baerengasse 32 Zurich, -, -	S&P Global: - Moody's: - Fitch: - AM Best - P&C: -
Website:	<a href="https://www.chubb.com/us-en/">https://www.chubb.com/us-en/</a>	
President :	Evan G. Greenberg	
Ticker Symbol:	NYSE: CB	
2019 Form 10-K:	<a href="https://www.sec.gov/ix?doc=/Archives/edgar/data/96159/000089615920000003/cb-12312019x10k.htm">https://www.sec.gov/ix?doc=/Archives/edgar/data/96159/000089615920000003/cb-12312019x10k.htm</a>	

Highlights (\$000)	2016	2017	2018	2019
Total Assets	159,786,000	167,022,000	167,771,000	176,943,000
Total Policy Reserves	81,914,000	85,588,000	85,935,000	87,367,000
Total Debt	14,821,000	14,285,000	14,322,000	17,185,000
Total Other Liabilities	6,272,000	6,676,000	7,638,000	6,499,000
Sep Account Liabilities	1,879,000	2,734,000	2,823,000	3,573,000
Total Liabilities	111,511,000	115,850,000	117,459,000	121,612,000
<b>Total Equity</b>	<b>48,275,000</b>	<b>51,172,000</b>	<b>50,312,000</b>	<b>55,331,000</b>
Total Liab & Equity	159,786,000	167,022,000	167,771,000	176,943,000
Book Value / Share (\$)	103.60	110.32	109.56	122.42
Reserves / Investments & Cash (x)	0.81	0.82	0.83	0.78
Reserves / Liabilities (x)	0.73	0.74	0.73	0.72
Reserves / Equity (x)	1.70	1.67	1.71	1.58
Debt / Equity (x)	0.31	0.28	0.28	0.31
Dec. 31 Closing Price (\$)	132.12	146.13	129.18	155.66
Net Income (\$)	4,135,000	3,861,000	3,962,000	4,454,000
Basic EPS (\$)	8.94	8.26	8.55	9.77
Investment Yield (%)	2.95	3.50	2.93	3.25
Ratios (%)				
Loss Ratio	57.70	65.80	62.10	62.10
Expense Ratio	30.60	28.90	28.50	28.50
PH Dividend Ratio	0.00	0.00	0.00	0.00
Combined Ratio	88.30	94.70	90.60	90.60

### Company Description and Notes

Industries: Property and Casualty Insurance, Reinsurance, Lloyds, Insurance Services, Claims Management and associated Asset Management

Geography: Worldwide in 54 countries and territories

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