

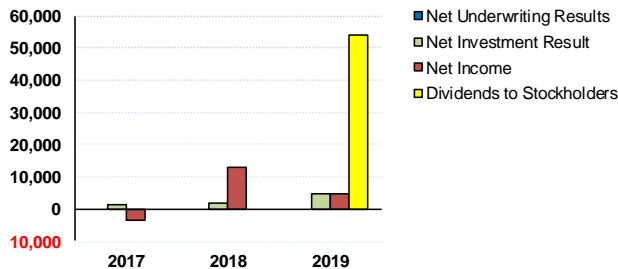


**LIBERTY SURPLUS INSURANCE COMPANY, NAIC #10725
LIBERTY MUTUAL HOLDINGS COMPANY, INC.**

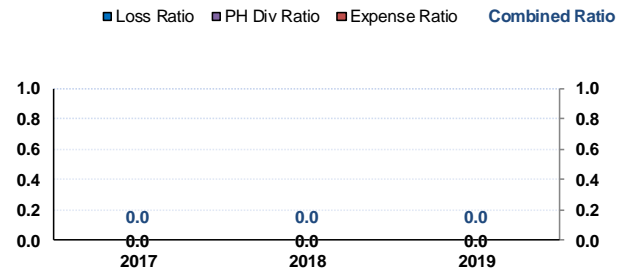
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	139,707	183,936	160,497	RBC Ratio (%)	2,658.0	8,355.4	5,749.7
Total Liabilities	48,058	73,768	120,771	2yr Res Development	0	0	0
Policyholder Surplus	91,649	110,168	39,726	2yr Dev / Surplus	0.0%	0.0%	0.0%
Cash & Invested Assets	71,232	110,985	82,998	Affiliated Common Stock	0	0	0
Cash & Invested Assets/ Total Assets	51.0%	60.3%	51.7%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	-2,854	-8,584	-55,228	Net Reins Recoverable	1,322,243	1,063,233	1,177,564
Loss & LAE Reserves	0	0	0	Net Reins Rec / Surplus	1442.7%	965.1%	2964.2%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	AMB / S&P Ratings	A / A	A / A	A / A

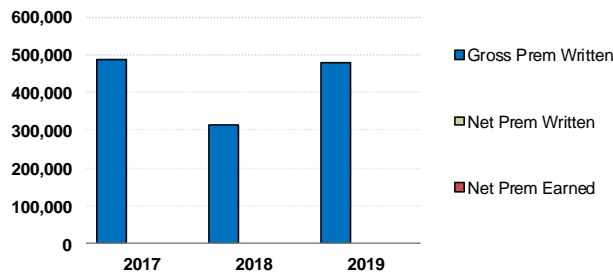
Income/Loss Trends (\$000)



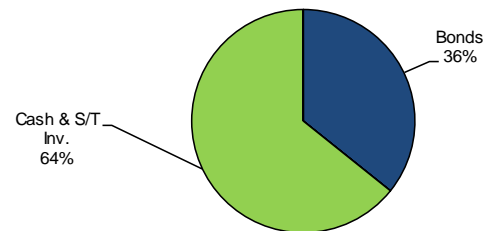
Combined Ratio (%) Trends



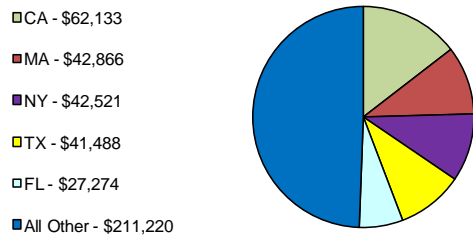
Premium Trends (\$000)



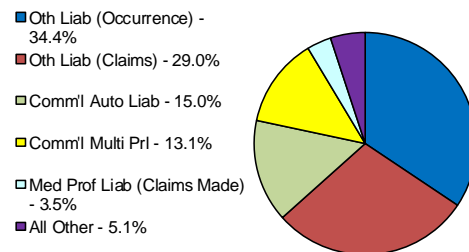
2019 Investment Portfolio



2019 Top 5 Geographies (DPW - \$000)



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



Total NY State DPW \$42,521
Total US ex Terr DPW \$427,502

Total All Lines \$434,049

Top 5 Reinsurers for Liberty Surplus Insurance Corp by Gross Recoverables

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Liberty Mutual Insurance Company	US Affiliated Non-captive Non-pooling, US Affiliated Pooling	Authorized	1,164,480	0
2 - Liberty Mutual Insurance Europe SE	Non-US Affiliated Non-captive	Unauthorized	19,114	0
3 - Lloyd's Syndicate - 4472 (Liberty Managing Agency Limited)	Non-US Affiliated Non-captive	Authorized	607	0
4 - Liberty Insurance Underwriters, Inc.	US Affiliated Non-captive Non-pooling	Authorized	6	0
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

Liberty Surplus Insurance Company (Liberty Surplus) was incorporated in the State of New Hampshire in June 1997, as an ultimate subsidiary of the Liberty Mutual Holdings Company, Inc. (LMHC). Financial and operations control of the company remains with LMHC. The company has been eligible to write surplus lines business in New York since August 28, 1998. As of December 31, 2019, Liberty Surplus is licensed in New Hampshire and operated on a non-admitted basis in forty-nine (49) states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands.

REINSURANCE

Liberty Surplus participates in an intercompany pooling agreement including fifty-six (56) affiliates, with its parent, Liberty Mutual Insurance Company (Liberty Mutual), pool lead, retaining 50%. Liberty Specialty cedes 100% of its premiums to Liberty Mutual but does not receive a share of the pool's combined results. As a result of the pooling agreement, no values are reported for net premiums written or earned, underwriting income, and the various combined ratio trends. As such, the financial strength of the company is heavily dependent on the credit risk of LMHC, as well as investment risk of its own investment portfolio, managed in common by LMHC. For the years 2017 through 2019, respectively, Liberty Surplus net reinsurance recoverable were shown as \$1.32bn, \$1.06bn and \$1.18bn, reflecting 1,443%, 965% and 2,964% of company surplus.

HOLDING COMPANY

Founded in 1912, in Boston, MA, as the Massachusetts Employees Insurance Association, to provide workers compensation insurance, the company now known as Liberty Mutual Holdings Company (LMHC) is a diversified global insurer and third largest property and casualty insurer in the U.S. LMHC, through its subsidiaries and affiliated companies, offers a wide range of property and casualty insurance products and services to individuals and businesses alike. Functionally, the Company conducts substantially all of its business through two business units, with each operating independently of the other in certain areas such as sales, underwriting, and claims, but, as appropriate, collaborating in other areas such as actuarial and financial. LMHC employs over 45,000 people in 29 countries and economies around the world. AM Best collectively rates the sixty six (66) insurance subsidiaries of the Liberty Mutual Holdings group, including the company. For the years 2017 through 2019 the group was rated by AM Best and S&P as 'A/A' and assigned the 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 – Liberty Mutual Holding Company Inc.

Corporate Profile		Financial Strength Ratings	
Address:	Liberty Mutual Holding Company Inc. 175 Berkeley Street Boston, MA, 02116	S&P Global:	-
Website:	https://www.libertymutual.com/	Moody's:	-
President :	-	Fitch:	-
Ticker Symbol:	-: -	AM Best - P&C:	-
2019 Form 10-K:	NA		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	125,592,000	142,502,000	125,989,000	133,644,000
Total Policy Reserves	69,426,000	81,714,000	81,648,000	86,092,000
Total Debt	7,603,000	8,325,000	8,233,000	9,061,000
Total Other Liabilities	27,974,000	31,513,000	14,921,000	14,326,000
Sep Account Liabilities	0	0	0	0
Total Liabilities	105,205,000	121,814,000	105,227,000	110,025,000
Total Equity	20,387,000	20,688,000	20,762,000	23,619,000
Total Liab & Equity	125,592,000	142,502,000	125,989,000	133,644,000
Book Value / Share (\$)	0.00	0.00	0.00	0.00
Reserves / Investments & Cash (x)	1.08	1.16	1.08	1.06
Reserves / Liabilities (x)	0.66	0.67	0.78	0.78
Reserves / Equity (x)	3.41	3.95	3.93	3.65
Debt / Equity (x)	0.37	0.40	0.40	0.38
Dec. 31 Closing Price (\$)	0.00	0.00	0.00	0.00
Net Income (\$)	1,069,000	19,000	2,161,000	1,045,000
Basic EPS (\$)	0.00	0.00	0.00	0.00
Investment Yield (%)	2.17	3.27	3.54	3.83
Ratios (%)				
Loss Ratio	67.70	76.00	69.60	72.90
Expense Ratio	30.70	29.60	29.60	28.80
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	98.40	105.60	99.20	101.70

Company Description and Notes

Industries: Multi-line Property, Casualty, Specialty and Financial Lines, Reinsurance, Lloyds, Risk Engineering, Insurance Services, Claims Management and Associated Investment Management

Geography: Worldwide

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