



**PROTECTIVE SPECIALTY INSURANCE COMPANY, NAIC #13149
PROTECTIVE INSURANCE CORPORATION**

<i>Dollars in 000</i>							
	2017	2018	2019		2017	2018	2019
Total Assets	66,229	65,802	67,364	RBC Ratio (%)	6,074.9	12,810.3	18,092.4
Total Liabilities	5,418	3,464	3,384	2yr Res Development	2,293	-378	-1,683
Policyholder Surplus	60,811	62,338	63,980	2yr Dev / Surplus	3.9%	-0.6%	-2.8%
Cash & Invested Assets	65,791	64,949	66,702	Affiliated Common Stock	0	0	0
Cash & Invested Assets/ Total Assets	99.3%	98.7%	99.0%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	980	-1,266	1,121	Net Reins Recoverable	6,239	4,320	2,495
Loss & LAE Reserves	5,331	2,303	1,238	Net Reins Rec / Surplus	10.3%	6.9%	3.9%
Loss & LAE Reserves/Surplus	8.8%	3.7%	1.9%	AMB / S&P Ratings	A / NR	A / NR	A / NR

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		\$0,071		Total All Lines		\$0,246	
Total US ex Terr DPW		\$0,246					

**Top 5 Reinsurers for Protective Specialty Ins Co. by Gross Recoverables
Period: 2019Y**

<i>Dollars in 000</i>				
Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Safety National Casualty Corporation	US Unaffiliated	Authorized	430	0
2 - Swiss Reinsurance America Corporation	US Unaffiliated	Authorized	415	0
3 - Aspen Insurance UK Limited	Non-US Unaffiliated	Authorized	410	0
4 - Munich Reinsurance America, Inc.	US Unaffiliated	Authorized	325	0
5 - RenaissanceRe Europe AG	Non-US Unaffiliated	Unauthorized	270	0

HISTORY

Protective Specialty Insurance Company (Protective Specialty) was incorporated in the State of Indiana in May 2008, as a subsidiary of Protective Insurance Company (Protective Insurance) (Indiana), itself a subsidiary of the Protective Insurance Corporation (Protective Corporation). Financial and operations control of the company remains with the Protective Corporation. The company has been eligible to write surplus lines business in New York since October 7, 2010. As of December 31, 2019, Protective Specialty is licensed in Indiana and operates on a non-admitted basis in forty-eight (48) states and the District of Columbia.

REINSURANCE

Protective Specialty has reinsurance with unaffiliated, known and authorized reinsurers and an annual aggregate stop loss reinsurance agreement with its parent, Protective Insurance. The company discontinued its Professional Liability line of business products the 4th quarter of 2016, and claims run-off continued for the years 2017 through 2019. As such, its combined ratios were not considered meaningful.

HOLDING COMPANY

Founded in 1930 with headquarters in Carmel, Indiana, Protective Insurance Corporation provides commercial auto coverage to small trucking fleets and contractors, and workers compensation coverage to small and medium-sized transportation and trucking business. The company also provides specialty insurance for custom and difficult to place accounts. AM Best collectively rates the six (6) insurance subsidiaries of the Protective Insurance group, including Protective Insurance Company. For the years 2017 through 2019 the group was rated 'A'.

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 – Protective Insurance Corporation

Corporate Profile		Financial Strength Ratings	
Address:	Protective Insurance Corporation 111 Congressional Blvd. Carmel, IN, 46032	S&P Global:	-
Website:	http://ir.protectiveinsurance.com/	Moody's:	-
President :	-	Fitch:	-
Ticker Symbol:	NASDAQ: PTVC.B	AM Best - P&C:	-
2019 Form 10-K:	https://www.sec.gov/Archives/edgar/data/9346/00000934620000006/form10k.htm		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	1,154,137	1,357,016	1,490,131	1,634,360
Total Policy Reserves	598,024	733,359	936,964	1,063,115
Total Debt	20,000	20,000	20,000	20,130
Total Other Liabilities	77,206	108,180	110,453	120,964
Sep Account Liabilities	0	0	0	0
Total Liabilities	749,792	938,205	1,134,049	1,270,044
Total Equity	404,345	418,811	356,082	364,316
Total Liab & Equity	1,154,137	1,357,016	1,490,131	1,634,360
Book Value / Share (\$)	26.81	27.83	23.95	25.51
Reserves / Investments & Cash (x)	0.79	0.85	1.05	1.07
Reserves / Liabilities (x)	0.80	0.78	0.83	0.84
Reserves / Equity (x)	1.48	1.75	2.63	2.92
Debt / Equity (x)	0.05	0.05	0.06	0.06
Dec. 31 Closing Price (\$)	25.20	23.95	16.65	16.09
Net Income (\$)	28,945	18,323	-34,075	7,347
Basic EPS (\$)	1.92	1.21	-2.28	0.50
Investment Yield (%)	5.05	4.71	-0.42	4.13
Ratios (%)				
Loss Ratio	67.60	75.40	79.90	77.90
Expense Ratio	30.50	33.00	28.70	28.90
PH Dividend Ratio	0.00	0.00	0.00	0.00
Combined Ratio	98.10	108.40	108.60	106.80

Company Description and Notes

Industries: Commercial Auto Coverage to Small Trucking Fleets and Contractors, and Workers Compensation Coverage to Small and Medium-Sized Transportation and Trucking Business

Geography: United States

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