

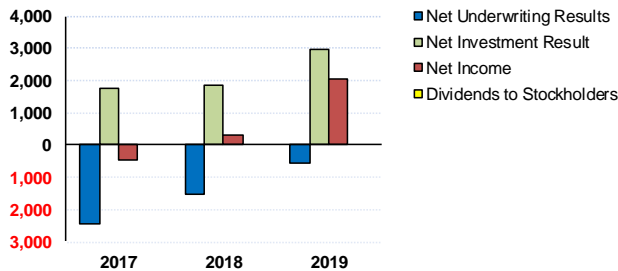


**FAIR AMERICAN SELECT INSURANCE COMPANY, NAIC#15201
ALLEGHANY CORPORATION**

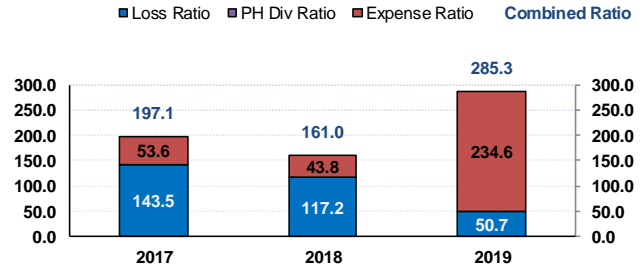
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	112,836	107,979	110,365	RBC Ratio (%)	1,598.4	2,861.8	13,323.4
Total Liabilities	10,034	4,960	5,280	2yr Res Development	-105	599	1,876
Policyholder Surplus	102,802	103,019	105,084	2yr Dev / Surplus	-0.2%	0.6%	1.8%
Cash & Invested Assets	108,263	104,017	106,922	Affiliated Common Stock	0	0	0
Cash & Invested Assets/ Total Assets	95.9%	96.3%	96.9%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	4,145	-2,492	2,806	Net Reins Recoverable	47,605	44,445	26,933
Loss & LAE Reserves	4,110	3,296	2,436	Net Reins Rec / Surplus	46.3%	43.1%	25.6%
Loss & LAE Reserves/Surplus	4.0%	3.2%	2.3%	AMB / S&P Ratings	A+ / NR	A+ / NR	A+ / NR

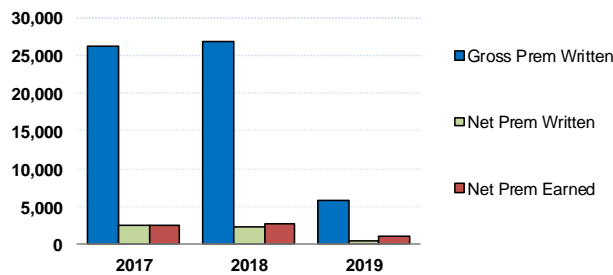
Income/Loss Trends (\$000)



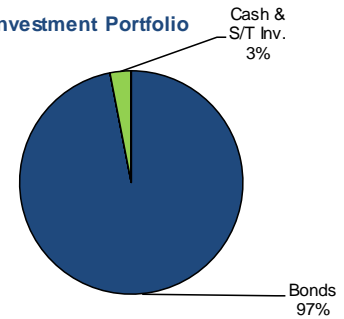
Combined Ratio (%) Trends



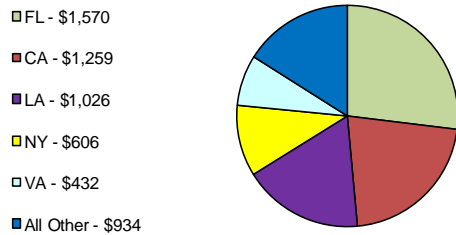
Premium Trends (\$000)



2019 Investment Portfolio

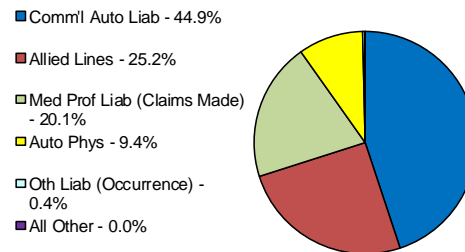


2019 Top 5 Geographies (DPW - \$000)



Total NY State DPW \$0,606
Total US ex Terr DPW \$5,829

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



Total All Lines \$5,829

Top 5 Reinsurers for Fair American Select Ins Co. by Gross Recoverables

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Transatlantic Reinsurance Company	US Affiliated Non-captive Non-pooling	Authorized	26,246	0
2 - Arch Reinsurance Ltd.	Non-US Unaffiliated	Certified	240	0
3 - ISME Mutual Insurance Company	US Unaffiliated	Authorized	183	0
4 - AlphaCat Reinsurance Ltd.	Non-US Unaffiliated	Unauthorized	112	0
5 - Everest Reinsurance Company	US Unaffiliated	Authorized	111	0

HISTORY

Fair American Select Insurance Company (Fair American Select) was incorporated in the State of Delaware in October 2012. Financial control remains under Alleghany Corporation. The company has been eligible to write surplus lines business in New York since February 28, 2014. As of December 31, 2019, Fair American Select is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in fifty states and the District of Columbia.

REINSURANCE

Fair American Select maintains a net 90% quota share agreement with an affiliate, Transatlantic Reinsurance Company. Since Fair American Select retains 10% of its underwriting risk, the risk of financial impairment is largely limited to credit risk exposure to its 90% reinsurer as well as risk from its investment portfolio. For the years 2017 through 2019, respectively, Fair American Select net reinsurance recoverable totaled \$48m, \$44m and \$27m representing 46%, 43% and 26% of company surplus.

HOLDING COMPANY

Founded in 1929 with headquarters in New York, NY, Alleghany Corporation is an investment holding company focused on the business of property and casualty, surety and fidelity insurance. Alleghany's property and casualty subsidiaries include: Transatlantic Holdings, Inc., a leading global reinsurer; RSUI Group, Inc., which underwrites wholesale specialty insurance coverages including property, casualty, professional liability and directors' and officers' liability; and CapSpecialty, Inc., an underwriter of commercial property, casualty and surety insurance coverages. AM Best collectively rates eighteen (18) insurance subsidiaries of the Alleghany Ins. Group, including Fair American Select Insurance Company. For the years 2017 through 2019, the group was rated by AM Best as '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 – Alleghany Corporation

Corporate Profile		Financial Strength Ratings
Address:	Alleghany Corporation 1411 Broadway New York, NY, 10018	S&P Global: - Moody's: - Fitch: - AM Best - P&C: -
Website:	https://www.alleghany.com/home/default.aspx	
President :	Weston M. Hicks	
Ticker Symbol:	NYSE: Y	
2019 Form 10-K:	https://www.sec.gov/ix?doc=/Archives/edgar/data/775368/000156459020005335/y-10k_20191231.htm	

Highlights (\$000)	2016	2017	2018	2019
Total Assets	23,756,591	25,384,317	25,344,896	26,931,604
Total Policy Reserves	13,262,697	14,053,544	14,517,372	14,494,529
Total Debt	1,476,489	1,484,897	1,669,039	1,992,213
Total Other Liabilities	912,081	1,068,907	1,127,346	1,274,976
Sep Account Liabilities	0	0	0	0
Total Liabilities	15,741,926	16,763,724	17,482,424	17,950,117
Total Equity	7,939,945	8,514,063	7,692,710	8,776,734
Total Liab & Equity	23,681,871	25,277,787	25,175,134	26,726,851
Book Value / Share (\$)	515.24	553.20	527.75	611.00
Reserves / Investments & Cash (x)	0.71	0.72	0.78	0.72
Reserves / Liabilities (x)	0.84	0.84	0.83	0.81
Reserves / Equity (x)	1.67	1.65	1.89	1.65
Debt / Equity (x)	0.19	0.17	0.22	0.23
Dec. 31 Closing Price (\$)	608.12	596.09	623.32	799.57
Net Income (\$)	460,664	100,492	54,654	890,201
Basic EPS (\$)	29.60	5.85	2.62	59.44
Investment Yield (%)	2.44	2.81	1.38	6.35
Ratios (%)				
Loss Ratio	58.60	73.10	70.70	67.30
Expense Ratio	33.30	33.30	32.50	32.10
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	91.90	106.40	103.20	99.40

Company Description and Notes

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

Geography: The Americas and Caribbean, Britain, European Union

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