

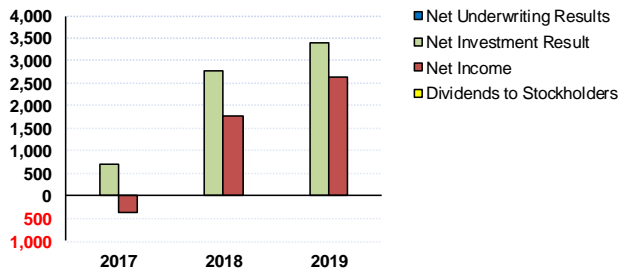


**INTERSTATE FIRE & CASUALTY COMPANY, NAIC #22829
ALLIANZ SE**

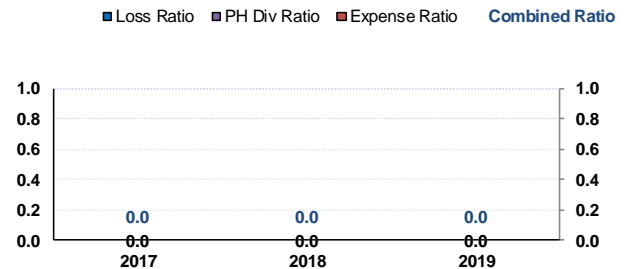
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	149,960	134,800	192,293	RBC Ratio (%)	575.3	1,114.7	935.9
Total Liabilities	79,878	62,237	116,824	2yr Res Development	0	0	0
Policyholder Surplus	70,082	72,563	75,469	2yr Dev / Surplus	0.0%	0.0%	0.0%
Cash & Invested Assets	108,687	91,087	98,045	Affiliated Common Stock	0	0	0
Cash & Invested Assets/ Total Assets	72.5%	67.6%	51.0%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	36,504	-977	2,629	Net Reins Recoverable	772,591	783,041	873,448
Loss & LAE Reserves	0	0	0	Net Reins Rec / Surplus	1102.4%	1079.1%	1157.4%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	AMB / S&P Ratings	A+ / AA	A+ / AA	A+ / AA

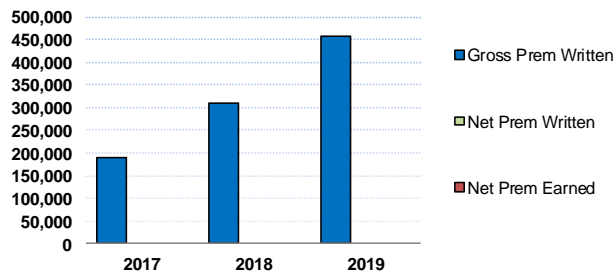
Income/Loss Trends (\$000)



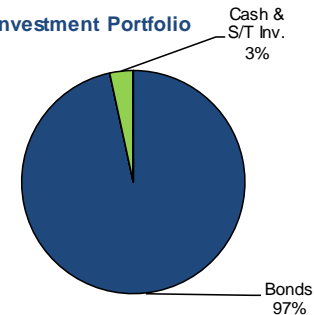
Combined Ratio (%) Trends



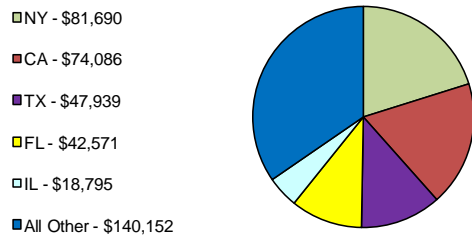
Premium Trends (\$000)



2019 Investment Portfolio

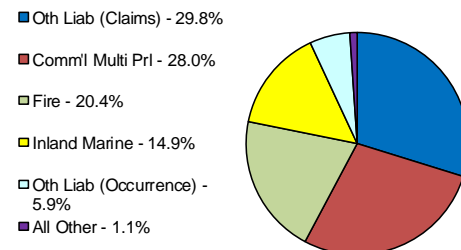


2019 Top 5 Geographies (DPW - \$000)



Total NY State DPW \$81,690
Total US ex Terr DPW \$405,233

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



Total All Lines \$410,888

Top 5 Reinsurers for Interstate Fire & Casualty Co. by Gross Recoverables

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Fireman's Fund Insurance Company	US Affiliated Pooling	Authorized	640,585	0
2 - Allianz Risk Transfer (Bermuda) Limited	Non-US Affiliated Non-captive	Unauthorized	265,933	0
3 - Swiss Reinsurance America Corporation	US Unaffiliated	Authorized	15,890	0
4 - SCOR Reinsurance Company	US Unaffiliated	Authorized	14,638	0
5 - General Reinsurance Corporation	US Unaffiliated	Authorized	9,088	0

#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

Interstate Fire & Casualty Company (Interstate Fire) was incorporated in the State of Illinois in October 1950 as Interstate Casualty Company. The company adopted its current name in 1953. The company was acquired by Fireman's Fund Insurance Company (Fireman's Fund) in July 1981, itself then owned by American Express (AmEx) (acquired in 1968). In 1985, AmEx spun off Fireman's Fund into an independent company. In 1991, Allianz SE (Allianz) (Germany) acquired Fireman's Fund and its subsidiaries, including Interstate Fire. Financial and operations control of the company remains under Allianz. The company has been eligible to write surplus lines business in New York at least since ELANY's inception in 1989. As of December 31, 2019, Interstate Fire is licensed in Illinois as a domestic surplus lines insurer and operated on a non-admitted basis in forty-nine (49) states, the District of Columbia, Guam, and Puerto Rico.

REINSURANCE

Interstate Fire is a participant in an intercompany pooling agreement including seven (7) affiliates, with its parent, Fireman's Fund Insurance Company, pool lead retaining 100%. The company cedes 100% of its premiums to Fireman's Fund but does not receive a share of the pool's combined results. As a result of the intercompany 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 Allianz, as well as investment risk of its own investment portfolio, management in common by Allianz. For the years 2017 through 2019, respectively, Interstate Fire net reinsurance recoverable was shown as \$723m, \$783m and \$873m, reflecting 1,102%, 1,079% and 1,157% of company surplus.

HOLDING COMPANY

Founded 1890 by the same founders of the Munich Reinsurance Company (founded 1880), as Allianz Versicherungs-Aktiengesellschaft (Allianz) to write German marine and accident insurance, Allianz has expanded from these early roots and grown into one of the world's largest insurance and financial services company groups. Allianz now operates in all major lines of property and casualty and life, health, retirement and asset management, global reinsurance, Lloyd's and reinsurance securitization and operates worldwide. Founded in 1863, in San Francisco, California, Fireman's Fund Insurance Company was founded to remit 10% of its profits to the widows and orphans of fallen San Francisco Fireman, and now operates across the United States in all lines of both personal and commercial property and casualty insurance products. AM Best collectively rates twenty eight (28) companies of the Allianz Group, including Interstate Fire and Casualty Company. For the years 2017 through 2019 AM Best and S&P rated the group 'A+/AA' 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 – Allianz Group

Corporate Profile		Financial Strength Ratings	
Address:	Allianz Group Koniginstrasse 28 Munich, -, -	S&P Global:	-
Website:	https://www.allianz.com/en.html	Moody's:	-
President :	-	Fitch:	-
Ticker Symbol:	-: -	AM Best - P&C:	-
2019 Form 10-K:	N/A		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	883,809,028	901,299,978	897,567,169	1,011,184,728
Total Policy Reserves	710,379,916	727,561,136	740,992,314	823,200,456
Total Debt	34,183,142	35,637,701	36,895,948	38,683,735
Total Other Liabilities	24,455,000	25,045,000	25,625,000	29,005,000
Sep Account Liabilities	111,325,348	119,140,996	115,360,668	132,167,697
Total Liabilities	813,674,476	832,698,048	833,887,999	933,820,370
Total Equity	70,134,552	68,601,929	63,679,170	77,364,358
Total Liab & Equity	883,809,028	901,299,977	897,567,169	1,011,184,728
Book Value / Share (\$)	147.41	149.36	144.59	177.64
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	0.87	0.87	0.89	0.88
Reserves / Equity (x)	10.13	10.61	11.64	10.64
Debt / Equity (x)	0.49	0.52	0.58	0.50
Dec. 31 Closing Price (\$)	157.00	191.50	175.14	0.00
Net Income (\$)	7,328,892	7,207,385	7,703,440	8,301,505
Basic EPS (\$)	15.31	15.24	17.43	18.90
Investment Yield (%)	0.00	0.00	0.00	0.00
Ratios (%)				
Loss Ratio	65.63	66.52	65.97	67.99
Expense Ratio	28.66	28.65	28.04	27.51
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>-0.01</u>	<u>0.00</u>
Combined Ratio	94.29	95.17	94.00	95.50

Company Description and Notes

Industries: Financial Services and all major lines of Property and Casualty Insurance, Life Insurance and Reinsurance, Insurance Services, Claims Management, Associated Investment Management, Reinsurance Securitization

Geography: Worldwide

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