

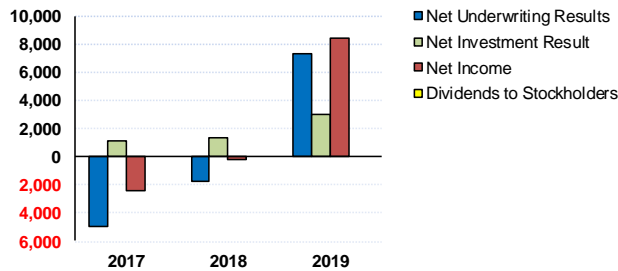


**NORTH AMERICAN CAPACITY INSURANCE COMPANY, NAIC #25038  
SWISS RE AG**

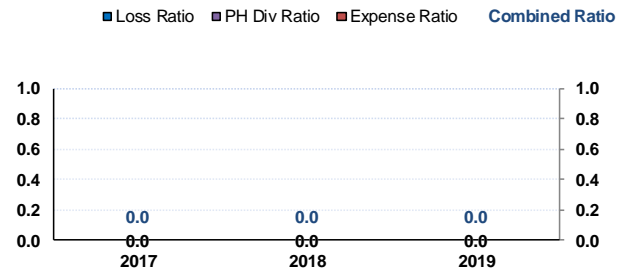
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	173,549	198,551	222,727	RBC Ratio (%)	1,478.9	1,401.2	1,139.5
Total Liabilities	121,189	149,687	167,139	2yr Res Development	14	-13	-3
Policyholder Surplus	52,360	48,864	55,588	2yr Dev / Surplus	0.0%	0.0%	0.0%
Cash & Invested Assets	95,627	104,297	67,088	Affiliated Common Stck	0	0	0
Cash & Invested Assets/ Total Asse	55.1%	52.5%	30.1%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	24,241	-13,705	-25,951	Net Reins Recoverable	572,970	681,161	1,005,543
Loss & LAE Reserves	730	541	533	Net Reins Rec / Surplus	1094.3%	1394.0%	1808.9%
Loss & LAE Reserves/Surplus	1.4%	1.1%	1.0%	AMB / S&P Ratings	A+ / AA-	A+ / AA-	A+ / AA-

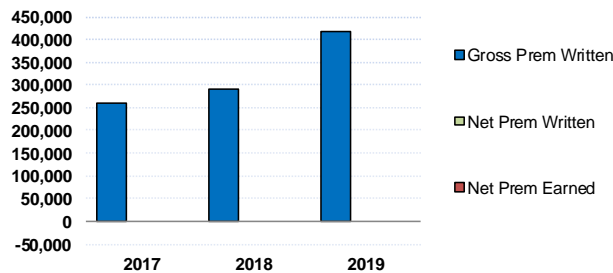
**Income/Loss Trends (\$000)**



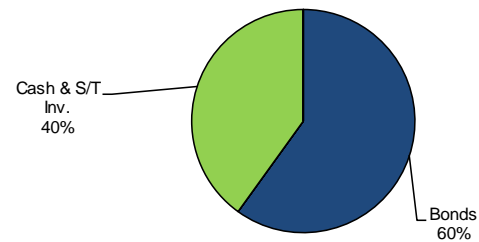
**Combined Ratio (%) Trends**



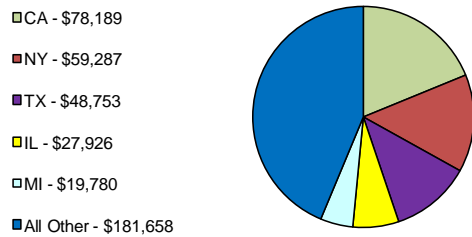
**Premium Trends (\$000)**



**2019 Investment Portfolio**

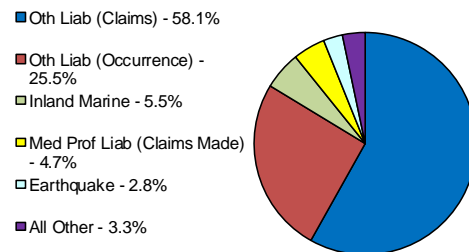


**2019 Top 5 Geographies (DPW - \$000)**



Total NY State DPW \$59,287  
Total US ex Terr DPW \$415,593

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



Total All Lines \$417,705

**Top 5 Reinsurers for North American Capacity Ins Co by Gross Recoverables**

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Westport Insurance Corporation	US Affiliated Non-captive Non-pooling	Authorized	726,225	0
2 - Swiss Reinsurance America Corporation	US Affiliated Non-captive Non-pooling	Authorized	230,686	0
3 - Greenlight Reinsurance, Ltd.	Non-US Unaffiliated	Unauthorized	27,446	0
4 - Third Point Reinsurance Company Ltd.	Non-US Unaffiliated	Unauthorized	16,118	0
5 - Hamilton Re, Ltd.	Non-US Unaffiliated	Unauthorized	15,587	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

North American Capacity Insurance Company (North American Capacity) was incorporated in the State of Illinois in March 1986 as American Capacity Insurance Company, a subsidiary of RLI Corporation. The company was acquired by Swiss Re Limited (Swiss Re) in January 1991 and re-domesticated to New Hampshire. The Company adopted its current name in May 1991. Under Swiss Re, the company is a wholly owned subsidiary of Westport Insurance Corporation (Westport). The company has been eligible to write surplus lines business in New York since August 10, 1992. As of December 31, 2019, North American Capacity is a New Hampshire domestic surplus lines insurer, was licensed in Illinois as an admitted insurer and operated on a non-admitted basis in forty-eight (48) states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

## REINSURANCE

North American Capacity maintains various reinsurance agreements with affiliated and unaffiliated companies. Through these agreements, the company cedes 100% of its written premium, primarily to its parent, Westport, and Swiss Reinsurance America Corporation. As a result of these ceded arrangements, 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 of the credit risk of Swiss Re, as well as investment risk of its own investment portfolio, managed in common by Swiss Re. For the years 2017 through 2019, respectively, North American Capacity net reinsurance recoverable were shown as \$573m, \$681m and \$1.0bn, reflecting 1,094%, 1,394% and 1,809% of company surplus.

## HOLDING COMPANY

Founded 1863, as the Swiss Reinsurance Company of Zurich, in Zurich, Switzerland, the Swiss Re Group is one of the world's leading providers of reinsurance, insurance and other forms of insurance-based risk transfer. It anticipates and manages risk – from natural catastrophes to climate change, from ageing populations to cybercrime. The Swiss Re Group operates through a network of around 80 offices globally and is organized into three Business Units, Reinsurance, Corporate Solutions and Life Capital, each with a distinct strategy and set of objectives contributing to Swiss Re. AM Best collectively rates 25 insurance subsidiaries of the Swiss Re Group, including North American Capacity Insurance Company. For the years 2017 and 2018 the group was rated by AM Best and S&P as 'A/A+', increasing to 'A+/AA-' for 2019, 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 – Swiss Re AG

Corporate Profile		Financial Strength Ratings	
Address:	Swiss Re AG Mythenquai 50/60 Zurich, -, -	S&P Global:	-
Website:	<a href="https://www.swissre.com/">https://www.swissre.com/</a>	Moody's:	-
President :	-	Fitch:	-
Ticker Symbol:	SWX: SREN	AM Best - P&C:	-
2019 Form 10-K:	<a href="https://www.sec.gov/Archives/edgar/data/5272/000527219000023/maindocument001.htm">https://www.sec.gov/Archives/edgar/data/5272/000527219000023/maindocument001.htm</a>		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	215,065,000	222,526,000	207,570,000	238,567,000
Total Policy Reserves	144,514,000	158,662,000	150,698,000	110,979,000
Total Debt	12,361,000	11,570,000	11,076,000	12,105,000
Total Other Liabilities	0	0	0	0
Sep Account Liabilities	34,354,000	37,537,000	31,938,000	5,405,000
Total Liabilities	179,349,000	188,232,000	178,843,000	207,530,000
<b>Total Equity</b>	<b>35,716,000</b>	<b>34,294,000</b>	<b>28,727,000</b>	<b>31,037,000</b>
Total Liab & Equity	215,065,000	222,526,000	207,570,000	238,567,000
Book Value / Share (\$)	105.93	106.09	93.09	100.86
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	0.81	0.84	0.84	0.53
Reserves / Equity (x)	4.05	4.63	5.25	3.58
Debt / Equity (x)	0.35	0.34	0.39	0.39
Dec. 31 Closing Price (\$)	94.96	93.63	91.59	112.24
Net Income (\$)	3,623,000	393,000	481,000	769,000
Basic EPS (\$)	10.72	1.03	1.37	2.46
Investment Yield (%)	0.00	0.00	0.00	0.00
Ratios (%)				
Loss Ratio	61.20	82.30	74.20	79.70
Expense Ratio	33.60	33.10	32.40	31.70
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	94.80	115.40	106.60	111.40

### Company Description and Notes

Industries: Insurance and Risk Management Products in three divisions; Reinsurance, Corporate Solutions and Life Capital, Lloyds, Insurance Services, Claims Management and Associated Investment Management

Geography: Worldwide

### 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.