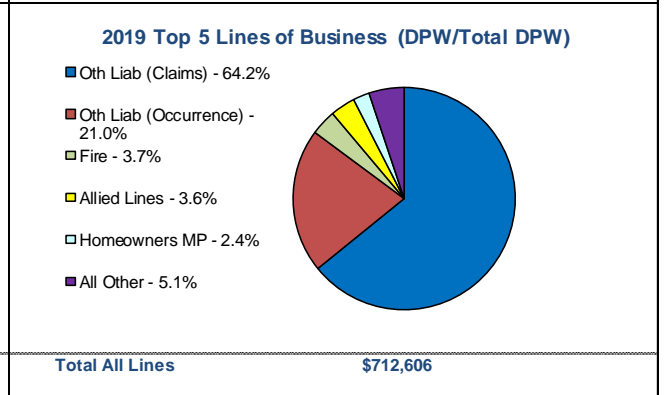
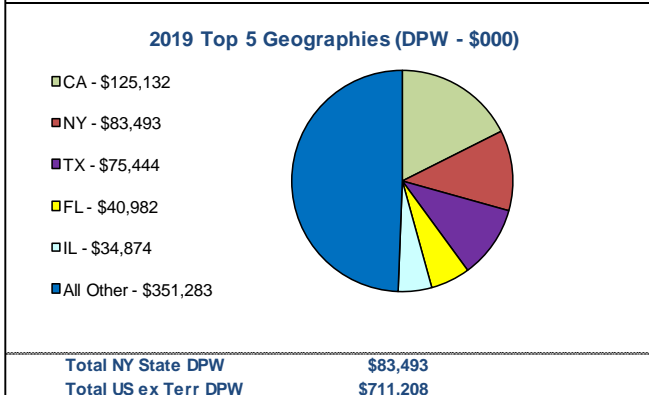
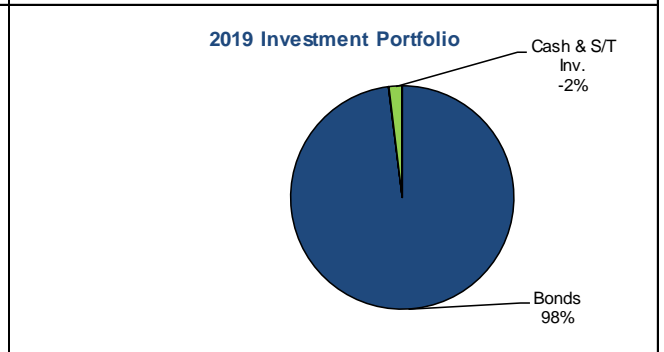
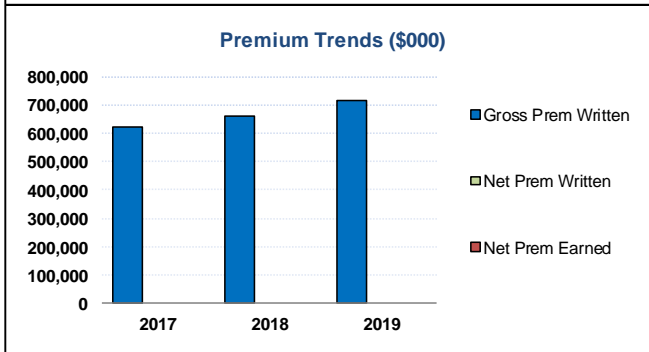
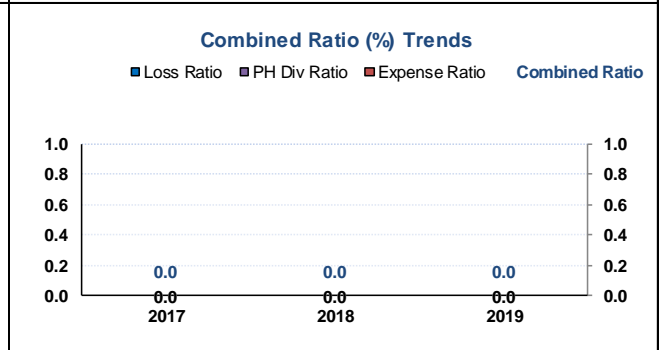
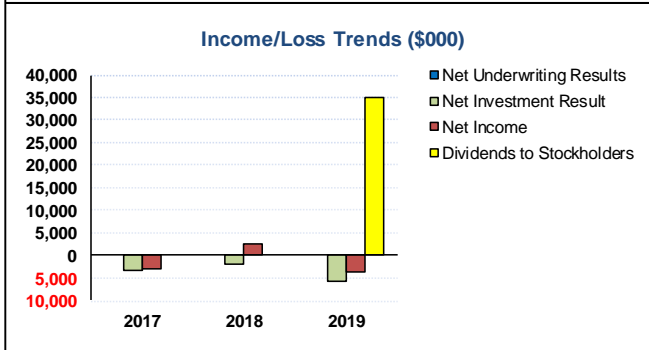




**AIG SPECIALTY INSURANCE COMPANY, NAIC #26883  
AMERICAN INTERNATIONAL GROUP**

Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	115,597	132,931	133,102	RBC Ratio (%)	8,046.5	7,937.4	10,000.2
Total Liabilities	32,586	48,912	83,253	2yr Res Development	0	0	0
Policyholder Surplus	83,011	84,020	49,849	2yr Dev / Surplus	0.0%	0.0%	0.0%
Cash & Invested Assets	76,223	97,310	129,418	Affiliated Common Stock	0	0	0
Cash & Invested Assets/ Total Assets	65.9%	73.2%	97.2%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	2,297	11,598	-967	Net Reins Recoverable	4,083,362	3,945,848	3,675,169
Loss & LAE Reserves	0	0	0	Net Reins Rec / Surplus	4919.1%	4696.3%	7372.7%
Loss & LAE Reserves/Surplus	0.0%	0.0%	0.0%	AMB / S&P Ratings	A / A+	A / A+	A / A+



**Top 5 Reinsurers for AIG Specialty Insurance Co. by Gross Recoverables  
Period: 2019Y**

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - National Union Fire Insurance Company of Pittsburgh, Pa.	US Affiliated Pooling	Authorized	3,675,169	0
2 - -	-	-	-	-
3 - -	-	-	-	-
4 - -	-	-	-	-
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

AIG Specialty Insurance Company (AIG Specialty) was incorporated in the State of Alaska in February 1973 as Alaska Insurance Company, a subsidiary of the American International Group, Inc. (AIG). In July 1989 the company changed its name to American International Surplus Lines Insurance Company. The company re-domesticated to Illinois in December 2007 and changed its name to Chartis Specialty Insurance Company in November 2009. The company adopted its current name in October 2013. Financial control remains under AIG. The company has been eligible to write surplus lines business in New York since May 17, 1990. As of December 31, 2019, AIG Specialty is an Illinois domestic surplus lines insurer and operated on a non-admitted basis in forty-nine (49) states and the District of Columbia.

## REINSURANCE

AIG Specialty is a participant in an intercompany pooling agreement including eleven (11) affiliates, with National Union Fire Insurance Company of Pittsburg, PA (National Union) (PA) (pool lead) retaining 35%, American Home Insurance Company (American Home) (NY) retaining 35%, and Lexington Insurance Company (Lexington) (DE) retaining 30%. AIG Specialty cedes 100% of its premiums to National Union 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, net premiums earned, underwriting income, and the various combined ratio trends. As such, the financial strength of AIG Specialty is heavily dependent upon the underwriting performance of its pool members, the credit risk of AIG, as well as investment risk of its own investment portfolio, managed in common by AIG. For the years 2017 through 2019, respectively, AIG Specialty net recoverable from National Union was shown as \$4.1bn, \$3.9bn and \$3.7bn representing 4.919%, 4,696% and 7,373% of company surplus.

## HOLDING COMPANY

Founded 1919, in Shanghai, China, as American Asiatic Underwriters (AAU) by C.V. Starr, the company impending World War II moved its headquarters to New York, NY, and in 1967, American International Group (AIG) was incorporated as a unifying umbrella organization for most (not all) of C.V. Starr's general and life insurance business. AIG is a global holding company and provides a wide range of property casualty insurance, life insurance, retirement solutions, and other financial services to customers in more than 80 countries and jurisdictions. AM Best collectively rates twenty two (22) AIG subsidiaries, including AIG Specialty Insurance Company. For the years 2017 through 2019, the AIG 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 –American International Group, Inc.

Corporate Profile		Financial Strength Ratings	
Address:	American International Group, Inc. 175 Water Street New York, NY, 10038	S&P Global:	-
Website:	<a href="https://www.aig.com/">https://www.aig.com/</a>	Moody's:	-
President :	Peter Salvatore Zaffino	Fitch:	-
Ticker Symbol:	NYSE: AIG	AM Best - P&C:	-
2019 Form 10-K:	<a href="https://www.sec.gov/ix?doc=/Archives/edgar/data/5272/000110465920023889/aig-20191231.htm">https://www.sec.gov/ix?doc=/Archives/edgar/data/5272/000110465920023889/aig-20191231.htm</a>		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	498,264,000	498,301,000	491,984,000	525,064,000
Total Policy Reserves	275,120,000	282,105,000	293,652,000	302,406,000
Total Debt	30,912,000	31,640,000	34,540,000	36,083,000
Total Other Liabilities	31,782,000	25,830,000	24,467,000	25,661,000
Sep Account Liabilities	82,972,000	92,798,000	81,847,000	93,272,000
Total Liabilities	421,406,000	432,593,000	434,675,000	457,637,000
<b>Total Equity</b>	<b>76,858,000</b>	<b>65,708,000</b>	<b>57,309,000</b>	<b>67,427,000</b>
Total Liab & Equity	498,264,000	498,301,000	491,984,000	525,064,000
Book Value / Share (\$)	76.66	72.49	65.04	74.91
Reserves / Investments & Cash (x)	0.83	0.87	0.93	0.89
Reserves / Liabilities (x)	0.65	0.65	0.68	0.66
Reserves / Equity (x)	3.58	4.29	5.12	4.48
Debt / Equity (x)	0.40	0.48	0.60	0.54
Dec. 31 Closing Price (\$)	65.31	59.58	39.41	51.33
Net Income (\$)	-349,000	-6,056,000	61,000	4,169,000
Basic EPS (\$)	-0.78	-6.54	-0.01	3.79
Investment Yield (%)	3.51	3.96	3.94	4.55
Ratios (%)				
Loss Ratio	84.80	83.20	75.70	65.20
Expense Ratio	34.10	34.10	35.70	34.40
PH Dividend Ratio	0.00	0.00	0.00	0.00
Combined Ratio	118.90	117.30	111.40	99.60

### Company Description and Notes

Industries: Property and Casualty Insurance, Life Insurance, Reinsurance, Lloyds Syndicates, Retirement Planning, Insurance Services, Financial Planning and Management, Claims Management, Financial Services, Asset Management

Geography: World Wide

### Important Information Regarding Financial Summaries

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