

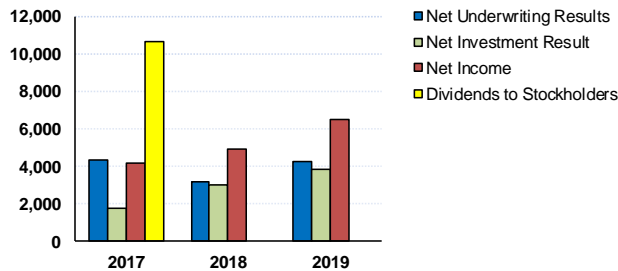


**U.S. UNDERWRITERS INSURANCE COMPANY, NAIC #35416  
BERKSHIRE HATHAWAY, INC.**

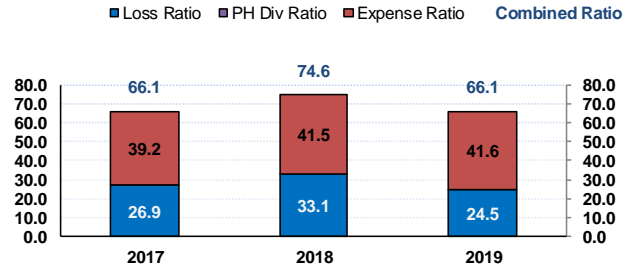
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	163,583	163,458	169,818	RBC Ratio (%)	2,415.4	2,386.8	2,783.3
Total Liabilities	41,507	38,438	36,128	2yr Res Development	-3,880	-6,685	-5,604
Policyholder Surplus	122,076	125,020	133,690	2yr Dev / Surplus	-3.1%	-5.3%	-4.6%
Cash & Invested Assets	158,504	157,875	164,725	Affiliated Common Stck	0	0	0
Cash & Invested Assets/ Total Asse	96.9%	96.6%	97.0%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	1,345	1,595	3,977	Net Reins Recoverable	42,831	41,943	35,837
Loss & LAE Reserves	30,875	28,343	23,880	Net Reins Rec / Surplus	35.1%	33.5%	26.8%
Loss & LAE Reserves/Surplus	25.3%	22.7%	17.9%	AMB / S&P Ratings	A++ / NR	A++ / NR	A++ / NR

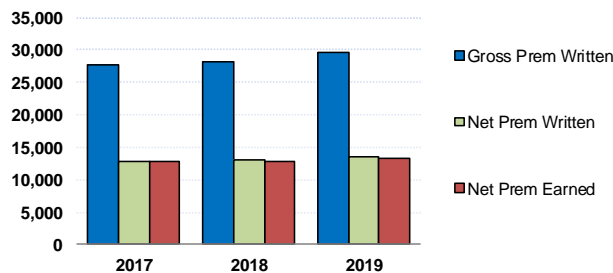
**Income/Loss Trends (\$000)**



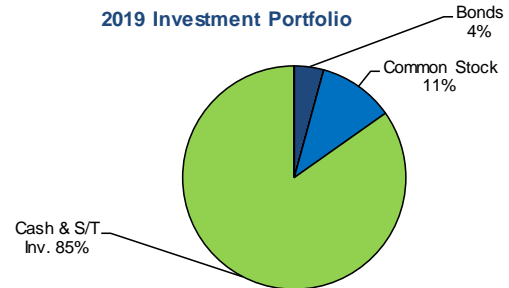
**Combined Ratio (%) Trends**



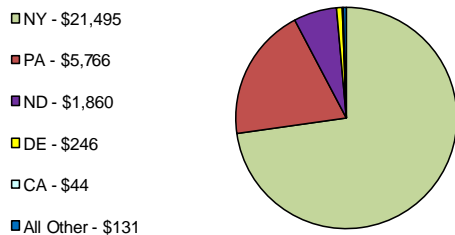
**Premium Trends (\$000)**



**2019 Investment Portfolio**

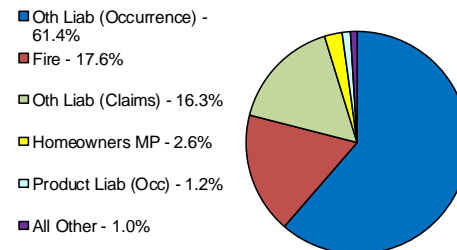


**2019 Top 5 Geographies (DPW - \$000)**



Total NY State DPW \$21,495  
Total US ex Terr DPW \$29,542

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



Total All Lines \$29,542

**Top 5 Reinsurers for U.S. Underwriters Insurance Co by Gross Recoverables**

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - National Indemnity Company	US Affiliated Non-captive Non-pooling	Authorized	33,757	0
2 - Hannover Rück SE	Non-US Unaffiliated	Authorized	2,690	0
3 - Partner Reinsurance Company of the U.S.	US Unaffiliated	Authorized	1,539	0
4 - Factory Mutual Insurance Company	US Unaffiliated	Authorized	187	0
5 - Aspen Insurance UK Limited	Non-US Unaffiliated	Authorized	57	0

## **HISTORY**

U.S. Underwriters Insurance Company (U.S. Underwriters) was incorporated in the State of Delaware in January 1972, as subsidiary of U.S. Investment Corporation. The company re-domesticated from Delaware to North Dakota in October 1992. Financial control has been under Berkshire Hathaway Inc. (Berkshire) since August 2000. The Company is part of Berkshire specialty and excess brand, Devon Park Specialty (DPS), including Mount Vernon Specialty Insurance Company (divested from its former parent Mount Vernon Fire Insurance Company) and Radnor Specialty Insurance Company, a newly formed company domesticated in Nebraska 2014. 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, U.S. Underwriters is licensed in forty-two (42) states and the District of Columbia and operated on a non-admitted basis in Delaware, New York, and Pennsylvania.

## **REINSURANCE**

U.S. Underwriters maintains a 50% net quota share agreement with an affiliate, National Indemnity Company. As such, the financial strength of the company is heavily dependent on the credit risk of Berkshire, as well as investment risk of its own investment portfolio, managed in common by Berkshire. For the years 2017 through 2019, respectively, net recoverable did not exceed surplus.

## **HOLDING COMPANY**

With roots dating to 1839 in Rhode Island American textile manufacturing, the early company merged with Berkshire Fine Spinning, who in 1955 merged with the Hathaway Manufacturing Company to form the Berkshire Hathaway Company with headquarters in Omaha, NE. Having grown and expanded from these roots, Berkshire Hathaway, Inc. is one of the largest publically traded investment firms in the world, holding investments in insurance and reinsurance groups and all related services and activities, consumer goods, railroads, industrial manufacturing and supplies, retail. AM Best collectively rates over forty two (42) insurance subsidiaries with Berkshire Hathaway/National Indemnity/General Reinsurance Corp. group of companies, including U.S. Underwriters Insurance Company. For the years 2017 through and 2019, the Berkshire Hathaway Group was rated by AM Best and S&P 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 – Berkshire Hathaway, Inc.

Corporate Profile		Financial Strength Ratings	
Address:	Berkshire Hathaway Inc. 3555 Farnam Street Omaha, NE, 68131	S&P Global:	-
Website:	<a href="https://www.berkshirehathaway.com/">https://www.berkshirehathaway.com/</a>	Moody's:	-
President :	Warren E. Buffett	Fitch:	-
Ticker Symbol:	NYSE: BRK.A	AM Best - P&C:	-
2019 Form 10-K:	<a href="https://www.sec.gov/ix?doc=/Archives/edgar/data/1067983/000156459020005874/brka-10k_20191231.htm">https://www.sec.gov/ix?doc=/Archives/edgar/data/1067983/000156459020005874/brka-10k_20191231.htm</a>		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	620,854,000	702,095,000	707,794,000	817,729,000
Total Policy Reserves	108,573,000	137,707,000	147,017,000	155,397,000
Total Debt	101,644,000	102,587,000	97,490,000	109,250,000
Total Other Liabilities	48,752,000	53,665,000	59,412,000	57,720,000
Sep Account Liabilities	0	0	0	0
Total Liabilities	335,426,000	350,141,000	355,294,000	389,166,000
<b>Total Equity</b>	<b>285,428,000</b>	<b>351,954,000</b>	<b>352,500,000</b>	<b>428,563,000</b>
Total Liab & Equity	620,854,000	702,095,000	707,794,000	817,729,000
Book Value / Share (\$)	171,541.93	211,749.91	212,503.41	261,416.60
Reserves / Investments & Cash (x)	0.42	0.42	0.46	0.38
Reserves / Liabilities (x)	0.32	0.39	0.41	0.40
Reserves / Equity (x)	0.38	0.39	0.42	0.36
Debt / Equity (x)	0.36	0.29	0.28	0.25
Dec. 31 Closing Price (\$)	244,121.00	297,600.01	306,000.00	339,590.00
Net Income (\$)	24,427,000	45,353,000	4,322,000	81,792,000
Basic EPS (\$)	14,645.00	27,326.00	2,446.00	49,828.00
Investment Yield (%)	6.41	3.93	-5.19	22.83
Ratios (%)				
Loss Ratio	76.86	89.07	78.37	80.34
Expense Ratio	0.00	0.00	0.00	0.00
PH Dividend Ratio	-76.86	-89.07	-78.37	-80.34
Combined Ratio	0.00	0.00	0.00	0.00

### Company Description and Notes

Industries: Property and Casualty Insurance, Life Insurance, Reinsurance, Lloyds, Insurance Services, Claims Management, Associated Asset Management, Investments in Railroads, Consumer Goods, Industrial Manufacturing, Retail

Geography: Worldwide

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