



**CLEAR BLUE SPECIALTY INSURANCE COMPANY, NAIC #37745
PINE BROOK CAPITAL PARTNERS II AV LP**

Dollars in 000				Dollars in 000			
	2017	2018	2019		2017	2018	2019
Total Assets	106,486	112,233	114,779	RBC Ratio (%)	1,191.0	1,267.5	465.7
Total Liabilities	2,302	4,299	8,013	2yr Res Development	11,423	10,651	1,499
Policyholder Surplus	104,184	107,934	106,765	2yr Dev / Surplus	24.8%	16.7%	1.4%
Cash & Invested Assets	103,951	109,646	110,809	Affiliated Common Stock	45,727	53,989	57,300
Cash & Invested Assets/ Total Assets	97.6%	97.7%	96.5%	Affiliated CS / Surplus	43.9%	50.0%	53.7%
Net Cash from Operations	7,499	4,584	1,258	Net Reins Recoverable	131,874	184,774	250,479
Loss & LAE Reserves	13,682	15,429	6,999	Net Reins Rec / Surplus	126.6%	171.2%	234.6%
Loss & LAE Reserves/Surplus	13.1%	14.3%	6.6%	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)				2019 Top 5 Lines of Business (DPW/Total DPW)			
<ul style="list-style-type: none"> LA - \$29,306 FL - \$25,511 TX - \$16,466 CA - \$14,501 CO - \$11,785 All Other - \$41,979 				<ul style="list-style-type: none"> Oth Liab (Occurrence) - 67.6% Comm'l Auto Liab - 16.7% Oth Liab (Claims) - 4.5% Auto Phys - 3.3% Homeowners MP - 2.9% All Other - 5.0% 			
Total NY State DPW		\$8,339		Total All Lines		\$139,548	
Total US ex Terr DPW		\$139,548					

**Top 5 Reinsurers for Clear Blue Specialty Ins Co. by Gross Recoverables
Period: 2019Y**

Dollars in 000					
Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue	
1 - JRG Reinsurance Company, Ltd.	Non-US Unaffiliated	Unauthorized	44,157	0	
2 - Transatlantic Reinsurance Company	US Unaffiliated	Authorized	29,965	0	
3 - Qatar Reinsurance Company Limited	Non-US Unaffiliated	Unauthorized	25,812	0	
4 - Swiss Reinsurance America Corporation	US Unaffiliated	Authorized	22,586	0	
5 - Lloyd's Syndicate - 2001 (MS Amlyn Underwriting Limited)	Non-US Unaffiliated	Authorized	18,637	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

Clear Blue Specialty Insurance Company (Clear Blue Specialty) was incorporated in the state of North Carolina in March 1990 as Integon Specialty Insurance Company, a subsidiary of GMACI Holdings, LLC. The company was acquired by Maiden Holdings in 2009 and adopted the name Maiden Specialty Insurance Company. In November 2015, the company was acquired by Clear Blue Financial Holdings, Ltd (Clear Blue Holdings) and the current name was adopted. The ultimate parent of Clear Blue Holdings is Pine Brook Partners II (Cayman) AV, L.P. In 2016, Clear Blue Holdings contributed the stock of its subsidiary, Clear Blue Insurance Company (CBIC) to Clear Blue Specialty to increase surplus. In 2018, the company acquired National Building Material Assurance Company, renamed Rock Ridge Insurance Company. The Company has been eligible to write surplus lines business in New York since March 7, 2017. As of December 31, 2019, Clear Blue Specialty is a North Carolina domestic surplus lines insurer and operated on a non-admitted basis in forty-nine (49) states and the District of Columbia.

REINSURANCE

Clear Blue Specialty is a 100% fronting insurer. As a result, 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 recoverable from its unaffiliated reinsurers as well as investment risk of its own invested assets. For the years 2017 through 2019, respectively, Clear Blue Specialty net reinsurance recoverable was shown as \$132m, \$185m and \$250m, reflecting 127%, 171% and 235% of company surplus.

HOLDING COMPANY

Founded in 2006, in New York, NY, Pine Brook Capital Partners is a leveraged buy-out private equity investment firm with investments in financial services for commercial banking, commercial and consumer finance, specialty insurance, reinsurance and associated investment management. Pine Brook also invests in energy companies for oil and gas exploration and production, midstream and oilfield services. AM Best collectively rates three (3) insurance subsidiaries of Clear Blue Financial Holdings Group, including Clear Blue Specialty Insurance Company. For the years 2017 through 2019 the group was rated 'A-' and assigned the financial size of VIII (\$100m - \$250m).

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 – Pine Brook Capital Partners II VP, LP

Corporate Profile		Financial Strength Ratings	
Address:	Pine Brook Capital Partners II AV, LP B7 Tabonucco Street, Suite 912 Guaynabo, PR 00968	S&P Global:	-
Website:	http://www.clearblueinsurancegroup.com/	Moody's:	-
President :	-	Fitch:	-
Ticker Symbol:	-: -	AM Best - P&C:	-
2019 Form 10-K:	NA		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	0	0	0	0
Total Policy Reserves	0	0	0	0
Total Debt	0	0	0	0
Total Other Liabilities	0	0	0	0
Sep Account Liabilities	0	0	0	0
Total Liabilities	0	0	0	0
Total Equity	0	0	0	0
Total Liab & Equity	0	0	0	0
Book Value / Share (\$)	0.00	0.00	0.00	0.00
Reserves / Investments & Cash (x)	NA	NA	NA	NA
Reserves / Liabilities (x)	NA	NA	NA	NA
Reserves / Equity (x)	0.00	0.00	0.00	0.00
Debt / Equity (x)	0.00	0.00	0.00	0.00
Dec. 31 Closing Price (\$)	0.00	0.00	0.00	0.00
Net Income (\$)	0	0	0	0
Basic EPS (\$)	0.00	0.00	0.00	0.00
Investment Yield (%)	0.00	0.00	0.00	0.00
Ratios (%)				
Loss Ratio	0.00	0.00	0.00	0.00
Expense Ratio	0.00	0.00	0.00	0.00
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	0.00	0.00	0.00	0.00

Company Description and Notes

Industries: Financial Services: Commercial Banking, Commercial and Consumer Finance, Specialty Insurance, Reinsurance, Asset Management, and Energy: for oil and gas exploration and production, midstream and oilfield services

Geography: United States

Pine Brook Capital Partners II VP, L.P. is a privately owned/controlled company group and no financial information was publically available.

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