

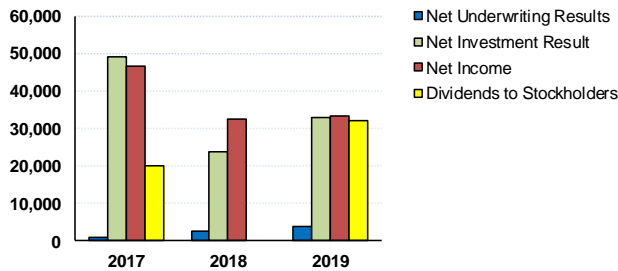


**NUTMEG INSURANCE COMPANY NAIC#39608  
HARTFORD FINANCIAL SERVICES GROUP INC**

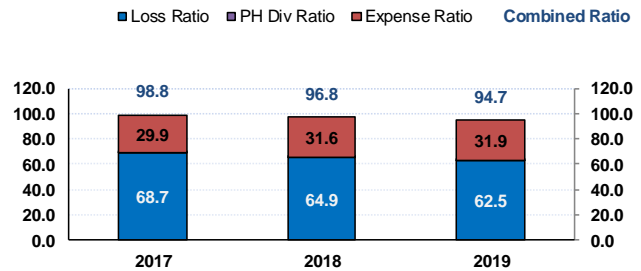
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	440,662	479,389	477,588	RBC Ratio (%)	2,105.2	2,231.3	2,137.3
Total Liabilities	182,892	188,926	186,119	2yr Res Development	1,770	-3,398	-4,817
Policyholder Surplus	257,770	290,464	291,469	2yr Dev / Surplus	0.3%	-0.6%	-1.9%
Cash & Invested Assets	410,804	454,254	460,620	Affiliated Common Stck	5,245	5,246	5,216
Cash & Invested Assets/ Total Asse	93.2%	94.8%	96.4%	Affiliated CS / Surplus	2.0%	1.8%	1.8%
Net Cash from Operations	12,532	42,742	41,243	Net Reins Recoverable	35,111	34,957	38,307
Loss & LAE Reserves	137,074	140,252	142,806	Net Reins Rec / Surplus	13.6%	12.0%	13.1%
Loss & LAE Reserves/Surplus	53.2%	48.3%	49.0%	AMB / S&P Ratings	A+ / A+	A+ / A+	A+ / A+

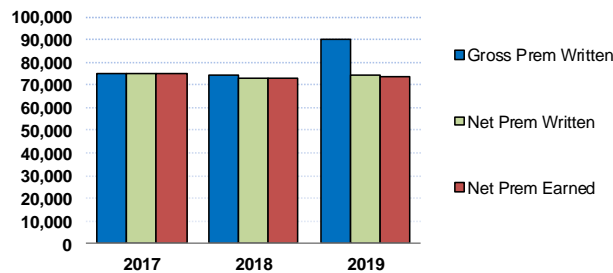
**Income/Loss Trends (\$000)**



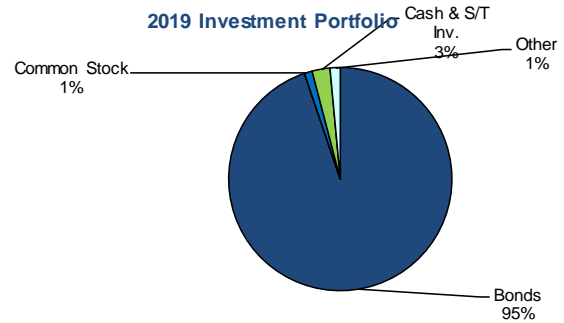
**Combined Ratio (%) Trends**



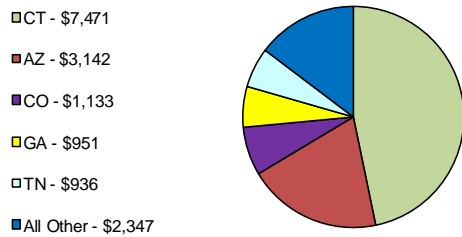
**Premium Trends (\$000)**



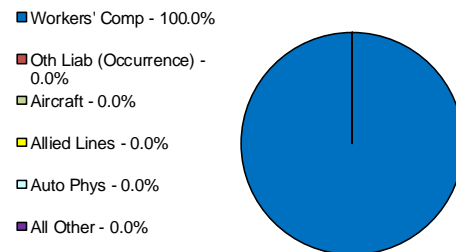
**2019 Investment Portfolio**



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



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



Total NY State DPW \$0,000  
Total US ex Terr DPW \$15,981

Total All Lines \$15,980

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

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Hartford Fire Insurance Company	US Affiliated Pooling	Authorized	38,307	0
2 - -	-	-	-	-
3 - -	-	-	-	-
4 - -	-	-	-	-
5 - -	-	-	-	-

## HISTORY

Nutmeg Insurance Company (Nutmeg Insurance) was incorporated in the State of Connecticut in November 1980, as an indirect subsidiary of the Hartford Financial Services Group, Inc. (The Hartford). Financial and operations control of the company remains under The Hartford. 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, Nutmeg Insurance is licensed in twenty-five (25) states and the District of Columbia and operated on a non-admitted basis in twenty-five (25) states.

## REINSURANCE

Nutmeg Insurance is a participant in an intercompany pooling agreement including thirteen (13) affiliates, with its parent, Hartford Fire Insurance Company (HFIC), pool lead retaining 41.5%. Nutmeg Insurance cedes 100% of its premiums to HFIC and receives a 0.7% share of the pool's combined results, which includes lines of business not directly written by the company, such as workers' compensation, private passenger auto liability, commercial multiple peril, and homeowners multiple peril. As such, the financial strength of the company is heavily dependent on the underwriting performance of its pool members, the credit risk of The Hartford, as well as investment risk of its own investment portfolio, managed in common by The Hartford. For the years 2017 through 2019, respectively, net recoverable did not exceed 14%.

## HOLDING COMPANY

Founded in 1810, in Hartford, Connecticut, as the Hartford Fire Insurance Company, by local merchants and civic leaders, the company was named after its founding city (named for the old English term of a mature male deer (Hart) and the name for crossing (Ford). The company now known as the Hartford Financial Services Group has grown and expanded into nationally recognized U.S. based investment and insurance group specializing in property and casualty insurance, group benefits and mutual funds. With more than 210 years of expertise The Hartford is widely recognized for its service excellence, sustainability practices, trust and integrity. AM Best collectively rates twenty six (26) insurance subsidiaries of The Hartford, including Nutmeg Insurance Company. For the years 2017 through 2019, The Hartford was rated by AM Best 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 – Hartford Financial Services Group, Inc.

Corporate Profile		Financial Strength Ratings	
Address:	Hartford Financial Services Group, Inc. One Hartford Plaza Hartford, CT, 06155	S&P Global:	-
Website:	<a href="https://www.thehartford.com/">https://www.thehartford.com/</a>	Moody's:	-
President :	Douglas Graham Elliot	Fitch:	-
Ticker Symbol:	NYSE: HIG	AM Best - P&C:	-
2019 Form 10-K:	<a href="https://www.sec.gov/ix?doc=/Archives/edgar/data/874766/000087476620000020/hig1231201910-kdocument.htm">https://www.sec.gov/ix?doc=/Archives/edgar/data/874766/000087476620000020/hig1231201910-kdocument.htm</a>		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	224,576,000	225,260,000	62,307,000	70,817,000
Total Policy Reserves	34,633,000	39,138,000	39,720,000	44,542,000
Total Debt	5,033,000	5,172,000	4,750,000	4,848,000
Total Other Liabilities	168,007,000	167,456,000	4,736,000	5,157,000
Sep Account Liabilities	0	0	0	0
Total Liabilities	207,673,000	211,766,000	49,206,000	54,547,000
<b>Total Equity</b>	<b>16,903,000</b>	<b>13,494,000</b>	<b>13,101,000</b>	<b>16,270,000</b>
Total Liab & Equity	224,576,000	225,260,000	62,307,000	70,817,000
Book Value / Share (\$)	45.20	37.82	35.52	44.29
Reserves / Investments & Cash (x)	0.86	0.86	0.85	0.84
Reserves / Liabilities (x)	0.17	0.18	0.81	0.82
Reserves / Equity (x)	2.05	2.90	3.03	2.74
Debt / Equity (x)	0.30	0.38	0.36	0.30
Dec. 31 Closing Price (\$)	47.65	56.28	44.45	60.77
Net Income (\$)	896,000	-3,131,000	1,807,000	2,085,000
Basic EPS (\$)	2.31	-8.61	5.03	5.72
Investment Yield (%)	2.09	2.54	3.65	4.65
Ratios (%)				
Loss Ratio	70.60	69.50	66.40	64.40
Expense Ratio	29.40	30.40	31.30	32.90
PH Dividend Ratio	0.10	0.10	0.10	-0.10
Combined Ratio	100.10	100.00	97.80	97.20

### Company Description and Notes

Industries: Property & Casualty Insurance, Group Benefits and Mutual Funds, Insurance Services, Claims Management and Associated Investment Management

Geography: United States and Britain principally

### 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.