

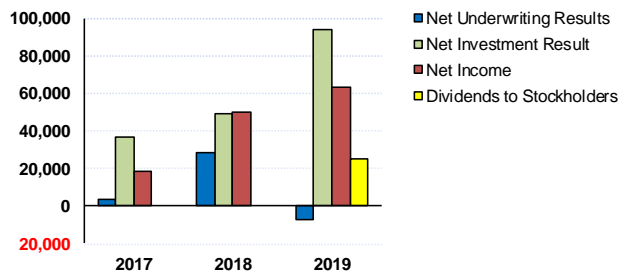


**COLONY INSURANCE COMPANY, NAIC #39993
ARGO GROUP INTERNATIONAL HOLDINGS, Ltd**

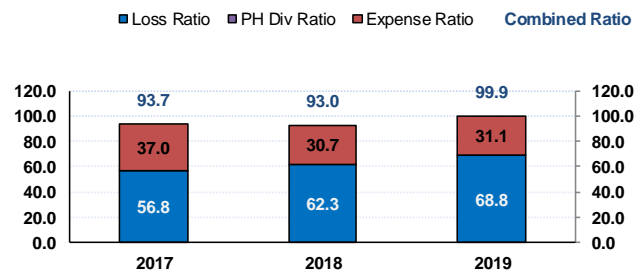
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	1,698,580	1,779,193	1,919,537	RBC Ratio (%)	359.8	376.0	319.2
Total Liabilities	1,274,100	1,334,818	1,436,971	2yr Res Development	-22,128	-42,113	-18,675
Policyholder Surplus	424,480	444,375	482,566	2yr Dev / Surplus	-6.3%	-11.4%	-4.4%
Cash & Invested Assets	1,543,529	1,609,530	1,698,945	Affiliated Common Stck	77,329	76,340	81,422
Cash & Invested Assets/ Total Asse	90.9%	90.5%	88.5%	Affiliated CS / Surplus	18.2%	17.2%	16.9%
Net Cash from Operations	83,205	164,149	216,395	Net Reins Recoverable	289,490	442,008	501,081
Loss & LAE Reserves	465,000	590,235	715,269	Net Reins Rec / Surplus	68.2%	99.5%	103.8%
Loss & LAE Reserves/Surplus	109.5%	132.8%	148.2%	AMB / S&P Ratings	A / A-	A / A-	Au / A-

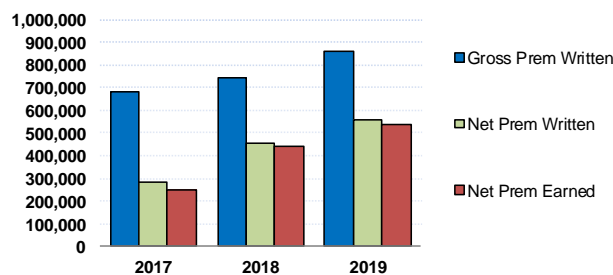
Income/Loss Trends (\$000)



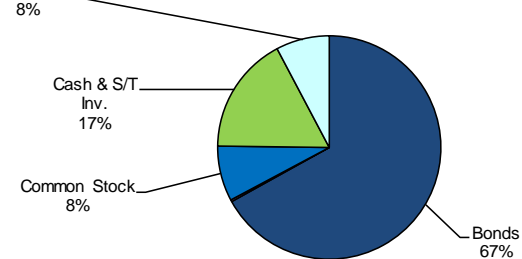
Combined Ratio (%) Trends



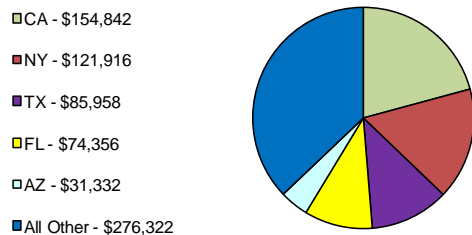
Premium Trends (\$000)



2019 Investment Portfolio

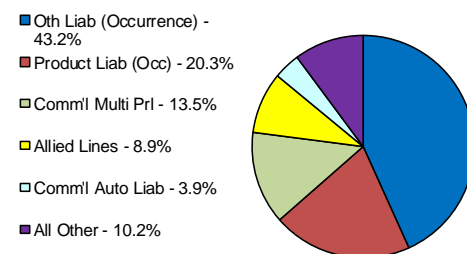


2019 Top 5 Geographies (DPW - \$000)



Total NY State DPW \$121,916
Total US ex Terr DPW \$744,726

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



Total All Lines \$744,726

Top 5 Reinsurers for Colony Insurance Co. by Gross Recoverables

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Argo Re, Ltd.	Non-US Affiliated Non-captive	Unauthorized	244,061	0
2 - Swiss Reinsurance America Corporation	US Unaffiliated	Authorized	63,449	0
3 - SCOR Reinsurance Company	US Unaffiliated	Authorized	58,516	0
4 - AXIS Reinsurance Company	US Unaffiliated	Authorized	54,492	0
5 - Pollution Liability Insurance Association	Voluntary Pools	Authorized	40,295	1,445

HISTORY

Colony Insurance Company was incorporated in the State of Rhode Island in April 1962. On December 30, 1994, Front Royal Insurance Company was merged into the Company with Colony Insurance Company being the surviving entity. In May 1991, the company re-domesticated from Rhode Island to Virginia. Financial and operations control of the company remain with its ultimate parent company, Argo Group International Holdings, Ltd (Argo). In 2016, Argo contributed the company to its subsidiary, Argonaut Insurance Company, as part of an organizational restructure. The company has two wholly owned subsidiaries, Colony Specialty Insurance Company (CSIC) and Peleus Insurance Company (Peleus). Both CSIC and Peleus cede through a 100% quota share agreement all business to the company. The company has been eligible to write surplus lines business in New York since July 31, 1997. As of December 31, 2019, Colony was licensed in Virginia and operated on a non-admitted basis in forty-nine states, the District of Columbia and the U.S. Virgin Islands.

REINSURANCE

The company assumes 100% quota share of remaining business (after a first 20% quota share cession to Argo Re, Ltd.) from affiliates CSIC and Peleus. The company then cedes 20% quota share to Argo Re, Ltd. As such, the financial strength of the company is heavily dependent upon the credit risk of Argo, as well as investment risk of its own investment portfolio, managed in common by Argo. For the years 2017 through 2019, respectively, Colony net reinsurance recoverable was \$289m, \$442m and \$501m, representing 68%, 100% and 104% of company surplus.

HOLDING COMPANY

Founded in 1948, as the Argonaut Insurance Exchange, in California, with a focus on Workers Compensation, the company was acquired by Teledyne Technologies in 1969, which spun off the company group in 1986. In 2007 the group merged with Bermuda based reinsurer PXRE, changed its name to Argo Group International Holdings, Ltd, (ARGO) and moved its headquarters to Bermuda. Argo is an international underwriter of property, casualty, marine and energy, professional liability and specialty lines of business and a global reinsurer. AM Best collectively rates ten (10) insurance subsidiaries with Argo, Colony Insurance Company. For the years 2017 and 2018, Argo was rated by AM Best and S&P as 'A/A-. In 2019, AM Best placed the rating of the group under review.

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.

In February 2020, Argo was downgraded to 'A-', and its S&P rating remain unchanged.

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 – Argo Group International Holdings, Ltd

Corporate Profile		Financial Strength Ratings	
Address:	Argo Group International Holdings, Ltd. Argo House Pembroke, -, -	S&P Global:	-
Website:	https://www.argolimited.com	Moody's:	-
President :	Kevin James Rehnberg	Fitch:	-
Ticker Symbol:	NYSE: ARGO	AM Best - P&C:	-
2019 Form 10-K:	https://www.sec.gov/ix?doc=/Archives/edgar/data/1091748/000162828020002567/argo10k12312019.htm		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	7,205,000	8,764,000	9,558,200	10,514,500
Total Policy Reserves	4,320,800	5,408,700	5,955,500	6,568,500
Total Debt	367,600	580,700	580,200	684,400
Total Other Liabilities	156,100	146,900	261,900	226,800
Sep Account Liabilities	0	0	0	0
Total Liabilities	5,412,300	6,944,300	7,811,500	8,733,400
Total Equity	1,792,700	1,819,700	1,746,700	1,781,100
Total Liab & Equity	7,205,000	8,764,000	9,558,200	10,514,500
Book Value / Share (\$)	51.94	53.46	51.43	51.80
Reserves / Investments & Cash (x)	0.98	1.10	1.21	1.25
Reserves / Liabilities (x)	0.80	0.78	0.76	0.75
Reserves / Equity (x)	2.41	2.97	3.41	3.69
Debt / Equity (x)	0.21	0.32	0.33	0.38
Dec. 31 Closing Price (\$)	57.30	53.61	67.25	65.75
Net Income (\$)	146,700	50,300	63,600	-8,400
Basic EPS (\$)	4.23	1.46	1.87	-0.25
Investment Yield (%)	3.27	3.72	1.23	4.52
Ratios (%)				
Loss Ratio	57.40	66.80	60.10	70.60
Expense Ratio	38.80	40.40	37.80	38.50
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	96.20	107.20	97.90	109.10

Company Description and Notes

Industries: Property and Casualty Specialty Insurance, Reinsurance, Lloyds, Insurance Services, Claims Management and Associated Asset Management

Geography: The Americas and Caribbean, Britain, European Union, South East Asia.

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.