

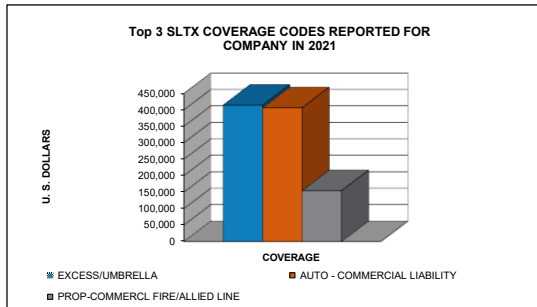
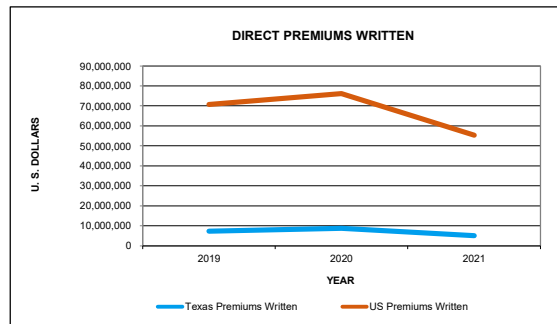
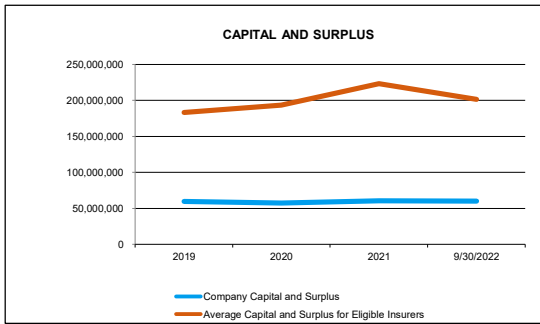
Watford Specialty Insurance Company			Issue Date: 12/20/2022	
Insurer #:	13765133	NAIC #:	15824	AMB# 022488

U.S. Insurer - 2022 EVALUATION

Key Dates		Location	A.M. Best Rating	Group Information
TDI Initial Date	1-Jan-16	Domicile New Jersey	A- Excellent	Insurance Group Watford US Insurance Group
Incorporation Date	8-Sep-15	Main Administrative Office 445 South Street, Suite 220 Morristown, NJ 07962	Nov-22	Parent Company Watford Holdings Ltd
Commenced Business	30-Sep-15			Parent Domicile Bermuda

	9/30/2022	2021	2020	2019
Capital & Surplus	59,919,000	60,632,000	57,636,000	59,763,000
Underwriting Gain (Loss)	(671,000)	987,000	2,064,000	337,000
Net Income After Tax	(1,006,000)	1,512,000	2,117,000	426,000
Cash Flow from Operations		(3,686,000)	(2,825,000)	13,423,000
Gross Premium		55,380,000	76,297,000	70,710,000
Net Premium	671,000	6,247,000	9,031,000	8,012,000
Direct Premium Total	6,167,000	55,383,000	76,297,000	70,709,000
Direct Premium in Texas (Schedule T)		5,088,000	8,818,000	7,261,000
% of Direct Premium in Texas		9%	12%	10%
Texas' Rank in writings (Schedule T)		3	3	4
SLTX Premium Processed		1,171,996	3,743,278	5,210,569
Rank among all Texas S/L Insurers		184	132	113
Combined Ratio		88%	78%	94%
IRIS Ratios Outside Usual Range		1	1	2

1- Gross Premium to Surplus	2- Net Premium to Surplus	3- Change in Net Premium Written (%)
91.00%	10.00%	-31.00%
<i>Usual Range: Less than 900%</i>	<i>Usual Range: Less than 300%</i>	<i>Usual Range: Between -33% and 33%</i>
4- Surplus Aid Ratio	5- Two Year Operating Ratio	Investment Yield
0.00%	77.00%	0.50%
<i>Usual Range: Less than 15%</i>	<i>Usual Range: Less than 100%</i>	<i>Usual Range: Between 3% and 6.5%</i>
7- Gross Change in Surplus (%)	8- Net Change in Surplus (%)	9- Liabilities to Liquid Assets
5.00%	5.00%	71.00%
<i>Usual Range: Between -10% and 50%</i>	<i>Usual Range: Between -10% and 25%</i>	<i>Usual Range: Less than 100%</i>
10- Agents Balances to Surplus	11- One Year Development to Surplus	12- Two Year Development to Surplus
1.00%	2.00%	3.00%
<i>Usual Range: Less than 40%</i>	<i>Usual Range: Less than 20%</i>	<i>Usual Range: Less than 20%</i>
	13- Current Estimated Reserve Deficiency	
	-5.00%	
	<i>Usual Range: Less than 25%</i>	



2021 Premiums by Line of Business (LOB)	
1 Other Liab (Occurrence)	\$ 4,265,000.00
2 Other Comm Auto Liab	\$ 539,000.00
3 Fire	\$ 184,000.00
4 Other Liab (Claims-made)	\$ 79,000.00
5 Allied Lines	\$ 13,000.00

2021 Losses Incurred by Line of Business (LOB)	
1 Other Liab (Occurrence)	\$ 3,654,000.00
2 Other Liab (Claims-made)	\$ 76,000.00
3 Other Comm Auto Liab	\$ 60,000.00
4 Allied Lines	\$ 25,000.00
5 Products Liab	\$ 21,000.00