

# Star Insurance Company and Subsidiaries

Consolidated Statutory-Basis Financial Statements  
as of and for the Periods Ended March 31, 2024, and  
December 31, 2023

# STAR INSURANCE COMPANY AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF ADMITTED ASSETS, LIABILITIES, AND CAPITAL AND SURPLUS - STATUTORY BASIS AS OF MARCH 31, 2024 AND DECEMBER 31, 2023 (Dollars in thousands)

	March 31, 2024	December 31, 2023
<b>Admitted assets</b>		
Cash and invested assets:		
Bonds, at amortized cost	\$1,513,736	\$1,536,500
Stocks	2,603	2,603
Cash, cash equivalents and short-term investments	516,221	490,410
Other invested assets	80,400	30,782
Receivable for securities	2,173	1,354
Total cash and invested assets	\$ 2,115,133	\$ 2,061,649
Investment income due and accrued	14,906	14,542
Premiums receivable	97,754	89,744
Reinsurance recoverables on ceded paid losses	17,957	18,838
Funds deposited with reinsured companies	-	389
Federal income tax recoverable	-	6,717
Net deferred tax asset	26,730	24,869
Receivables from parent and affiliates	11,739	8,469
Other assets	23,388	27,048
Total admitted assets	\$ 2,307,607	\$ 2,252,265
<b>Liabilities</b>		
Losses and loss adjustment expenses	\$ 749,242	\$ 740,212
Commissions and other expenses payable	3,493	7,943
Taxes, licenses and fees	5,048	5,408
Unearned premiums	348,603	319,024
Ceded reinsurance premiums payable	27,278	26,927
Funds held for reinsurance treaties	529,925	523,800
Reinsurance payable on paid losses and loss adjustment expenses	1,267	637
Provision for reinsurance	2,904	2,811
Amounts retained for account of others	2,488	2,520
Payable to parent and affiliates	23,330	10,321
Retroactive reinsurance recoverable	(21,114)	(28,480)
Other liabilities	1,970	3,622
Total liabilities	\$ 1,674,434	\$ 1,614,745
<b>Capital and surplus</b>		
Segregated surplus on retroactive reinsurance contract	20,000	20,000
Common stock	5,040	5,040
Gross paid in and contributed surplus	392,154	392,154
Unassigned funds (surplus)	215,979	220,326
Total capital and surplus	633,173	637,520
Total liabilities and capital and surplus	\$ 2,307,607	\$ 2,252,265

# STAR INSURANCE COMPANY AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS - STATUTORY-BASIS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023

(Dollars in thousands)

	Three Months Ended	
	March 31	
	2024	2023
Net premiums earned	\$ 187,847	\$ 157,404
Losses and loss adjustment expenses incurred	139,438	123,709
Other underwriting expenses incurred	66,677	59,294
Net underwriting gain (loss)	\$ (18,268)	\$ (25,599)
Net investment income earned	14,741	10,549
Net realized capital gains (losses)	(52)	(401)
Net other income (expense)	34	41
Income before dividends to policyholders and federal income taxes	\$ (3,545)	\$ (15,410)
Dividends to policyholders	-	72
Income before federal income taxes	\$ (3,545)	\$ (15,482)
Federal income tax incurred	955	(9,771)
Net income	\$ (4,500)	\$ (5,711)

## STAR INSURANCE COMPANY AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CAPITAL AND SURPLUS - STATUTORY-BASIS FOR THE PERIODS ENDED MARCH 31, 2024 AND DECEMBER 31, 2023

(Dollars in thousands)

	<b>March 31, 2024</b>	<b>December 31, 2023</b>
Surplus, beginning of year	\$ 637,520	\$ 604,764
Net income	(4,500)	32,739
Change in net unrealized capital gains or (losses)	739	5,179
Change in net deferred income tax	(914)	(11,440)
Change in nonadmitted assets	422	8,218
Change in provision for reinsurance	(94)	(1,940)
Change in surplus	\$ (4,347)	\$ 32,756
Surplus, end of year	\$ 633,173	\$ 637,520