



2021 PRIME PERFORMANCE

PEER COMPARISON 2021

	SIMPLE AVERAGE OF PEERS	PRIME INSURANCE COMPANY	PRIME PROPERTY & CASUALTY INSURANCE INC.	LOSS & LAE RATIO (1)	EXPENSE RATIO	COMBINED RATIO (2)	RETURN ON POLICY-HOLDERS' SURPLUS	DIRECT PREMIUMS WRITTEN	NET PREMIUM WRITTEN	NET INCOME 2021	NET INCOME 2020	NET INCOME 2019
								DOLLARS IN THOUSANDS				
LOSS & LAE RATIO	67.0%	53.4%	57.3%	53.4%	21.4%	74.8%	33.1%	244,923	186,259	27,240	24,009	22,971
EXPENSE RATIO	35.4%	21.4%	15.3%	57.3%	15.3%	72.6%	30.4%	174,654	136,678	22,682	18,906	17,118
	102.4%	74.8%	72.6%	67.0%	35.4%	102.4%	7.6%					
	PEERS COMBINED RATIO	PIC COMBINED RATIO	PPCI COMBINED RATIO									

Company	Loss & Lae Ratio (1)	Expense Ratio	Combined Ratio (2)	Return on Policyholders' Surplus	Direct Premiums Written	Net Premium Written	Net Income 2021	Net Income 2020	Net Income 2019
Aspen Specialty Insurance Co.	74.3%	26.7%	101.0%	8.0%	746,554	449,232	2,389	(15,950)	(53,762)
Beazley Insurance Co., Inc.	62.1%	33.7%	95.8%	23.9%	611,217	441,575	60,584	8,659	1,556
Canal Insurance Co.	67.3%	29.9%	97.2%	13.0%	353,375	350,769	26,696	18,996	43,332
Conifer Insurance Co.	74.5%	45.4%	119.9%	-20.1%	70,676	72,118	(9,161)	2,059	(3,627)
Crum & Forster Indemnity Co. (FairFax)	57.0%	37.9%	94.9%	11.0%	107,571	26,918	2,618	1,323	1,101
Hallmark Specialty Insurance Co.	73.4%	35.4%	108.8%	4.6%	359,318	83,948	1,175	2,407	(6,488)
Harco National Insurance Co.	79.3%	30.4%	109.9%	12.8%	311,169	300,638	(23,273)	10,026	(4,345)
Hiscox Insurance Co.	53.9%	42.9%	96.8%	3.1%	590,978	517,715	8,642	11,862	8,406
Illinois Casualty Co.	64.4%	34.1%	98.5%	6.7%	71,092	60,210	1,939	2,256	3,038
Lancer Insurance Co.	54.4%	31.3%	85.0%	15.3%	234,463	244,719	37,640	32,359	16,053
Lexington Insurance Co.	66.6%	34.3%	100.9%	17.8%	2,352,025	3,953,142	793,280	112,987	384,007
Nationwide Mutual Insurance Co.	73.1%	31.9%	105.0%	9.1%	2,885,396	13,334,935	196,285	(419,988)	176,138
Specialty Risk of America	57.7%	41.3%	99.0%	2.8%	15,003	12,026	34	(432)	292
StarStone Specialty Insurance Co.	68.2%	28.2%	96.4%	-1.2%	623,486	385,175	(31,176)	(1,818)	(6,208)
T.H.E. Insurance Co.	78.9%	48.1%	127.0%	6.8%	64,129	9,682	4,054	(8,007)	4,247

TIP: 100% combined is the break even point. 100% and above is cause for concern. Less than 100% is indication of excellent performance.

1. Prime Insurance Company's significantly lower-than-average loss & lae ratio is a result of the partnership formed with policyholders during underwriting and risk management review. Claims litigation management is greatly enhanced through the partnership approach.

2. The combined ratio is the sum of the loss & lae, expense, and policyholder dividend ratios. A combined ratio of more than 100% means the insurer has incurred an underwriting loss. Investment income is added to underwriting income or loss to calculate net income or loss.