THE ANDOVER COMPANIES®

ANDOVER COMPANIES POOL

AMB #: 000166 | NAIC #: N/A | FEIN #: N/A

Phone: | Fax: | Website: N/A

BAY STATE INSURANCE COMPANY — A

Domiciliary Address: 95 Old River Road, Andover, Massachusetts 01810-1078 United States
Administrative Office: 95 Old River Road, Andover, Massachusetts 01810-1078 United States
Mailing Address: 95 Old River Road, Andover, Massachusetts 01810-1078 United States

AMB #: 002053 **NAIC #:** 19763 **FEIN#:** 04-2200004

Phone: +1-978-475-3300 **Fax:** +1-800-323-5112 **Website:** www.andovercompanies.com

CAMBRIDGE INSURANCE COMPANY — A

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AMB #: 002054 **NAIC #:** 19771 **FEIN#:** 04-1144900

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MERRIMACK INSURANCE COMPANY — A

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AMB #: 002055 **NAIC #:** 19798 **FEIN#:** 04-1614490

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Best's Credit Rating Effective Date
October 22, 2026

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Information

Best's Credit Rating Methodology

Guide to Best's Credit Ratings

Market Segment Outlooks

Financial Data Presented

Financial data in this report: (i) includes data of affiliated entities that are not rating unit members where analytics benefit from inclusion; and/or (ii) excludes data of rating unit member entities if they operate in different segments or geographic areas than the Rating Unit generally. See list of companies for details of rating unit members and any such included and/or excluded entities.

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: Best's Financial Report.

Andover Companies Pool

AMB #: 000166
Associated Ultimate Parent: AMB # 049623 - The Andover Companies, Inc.

Best's Credit Ratings - for the Rating Unit Members

Financial Strength Rating (FSR)	Issuer Credit Rating (ICR)
A Excellent	**a+** Excellent
Outlook: **Stable**	Outlook: **Stable**
Action: **Affirmed**	Action: **Affirmed**

Assessment Descriptors

Balance Sheet Strength	**Very Strong**
Operating Performance	**Adequate**
Business Profile	**Favorable**
Enterprise Risk Management	**Appropriate**

Rating Unit - Members

Rating Unit: Andover Companies Pool | AMB #: 000166

AMB #	Rating Unit Members
002053	Bay State Insurance Company
002054	Cambridge Insurance Company
002055	Merrimack Insurance Company

Rating Rationale

Balance Sheet Strength: Very Strong

- Strongest level of risk-adjusted capitalization as measured by Best's Capital Adequacy Ratio (BCAR) at the 99.6% VaR confidence level.
- Low underwriting leverage relative to the personal property composite average, indicative of less sensitivity to price and loss reserve inadequacies.
- Quick, current and overall liquidity measures are strong and compare favorably to the composite average. Liquidity has benefited from positive operating cash flows in each of the last five years.
- Very high common stock leverage exposes capital to equity market shifts, as evidenced in periods of market volatility. This is partially mitigated through investments in large-cap dividend-paying stocks and the maintenance of strict investment guidelines.
- On a direct basis, modest adverse reserve development in recent years has been driven primarily by inflationary pressures affecting the Commercial Multi-Peril and General Liabilities lines of business. Reported development patterns are also influenced by the accounting treatment of assumed business, under which losses are attributed to the applicable policy year. This can distort reported development due to the timing of severe events occurring throughout the policy year, particularly when the policy period spans multiple calendar years. Excluding this reporting effect, overall reserve development improves considerably.

Operating Performance: Adequate

- The five-year average loss ratio outperforms the personal property composite, partially offset by an above-average expense ratio that is driven by comparatively higher commission costs, typical of New England writers. Collectively, the combined ratio average is modestly below the composite.
- Steadily growing stream of net investment income that offsets underwriting losses occurring in three of the last five years, however, underwriting results have improved in the last two years, adding to overall profitability. Net investment income has become increasingly driven by dividend income from the common stock portfolio.
- Five-year average pre-tax and total returns on revenue and equity are higher than the composite. Total returns on revenue and equity are reflective of material unrealized capital gains from the equity portfolio in select years. The total return on invested assets also outperforms, again influenced by unrealized gains.
- Net income has materially increased over the most recent five-year period influenced both by greater investment income and improvement in underwriting performance.

Business Profile: Favorable

- Andover Companies Pool (Andover) is one of the largest regional mutuals in the Northeast personal lines market with a meaningful share of the homeowners market in Massachusetts.
- It writes homeowners, small businessowners, fire and allied line products distributed through a wide network of independent agents specifically geared towards more desirable risks based on insurance score.
- Historically profitable geographic diversification derived by assuming both domestic and international property catastrophe reinsurance business from carefully selected strategic partners on a quota share basis.
- Direct exposure to severe weather-related events in the Northeast is partially mitigated by a comprehensive reinsurance program.

Enterprise Risk Management: Appropriate

- Andover's enterprise risk management (ERM) capabilities are considered appropriate for its risk profile.
- A formal program has been developed and documented, with participation and input from the board, executive leadership and the ERM team. The ERM team is responsible for oversight and implementation.
- Formal risk tolerance and appetite statements have been developed, which include both qualitative and quantitative parameters for all major risks.
- The pool is exposed to tail risk as evidenced by the BCAR at the 99.8% VaR confidence level, reflective of management's view of events with low probability. Models are regularly reviewed for accuracy, relevance and to monitor tail risk.

Outlook

- The stable outlooks reflect the expectation that Andover will maintain its overall balance sheet strength assessment, supported by risk-adjusted capitalization at the strongest level, while strategic initiatives implemented by management will support more stable operating performance over the intermediate term, inclusive of results from its assumed book of business.

Rating Drivers

- Positive rating action could occur following prolonged improvement in underwriting and operating performance that aligns with rating units assessed as strong within its composite.
- Negative rating action could occur following deterioration in risk-adjusted capitalization or escalation in adverse reserve development trends that weaken the overall balance sheet strength.
- Negative rating action could occur with a trend of significant volatility in overall operating results bringing into question the group's favorable business profile assessment.

Key Financial Indicators

Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	75.1	61.2	45.7	28.8

Source: Best's Capital Adequacy Ratio Model - P/C, US

Key Financial Indicators USD (000)	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Premiums Written:							
Direct	514,934	491,365	1,050,309	944,742	826,837	736,094	663,389
Assumed*	603,782	589,918	167,292	150,479	117,850	128,735	143,694
Ceded*	539,617	520,502	98,252	102,305	92,087	73,259	56,202
Net	579,099	560,781	1,119,349	992,916	852,601	791,570	750,882
Net Operating Income	39,635	30,843	159,146	131,818	34,932	22,209	4,547
Net Income	39,785	43,319	171,853	172,180	25,320	12,551	-4,030
Total Admitted Assets	5,234,639	4,815,524	5,020,299	4,429,632	4,213,724	3,956,533	3,973,186
Policyholders' Surplus	3,158,846	2,878,591	3,078,569	2,703,563	2,348,694	2,194,030	2,275,172

Source: BestLink® - Best's Financial Suite
*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

Key Financial Ratios (%)	6-Months		Year End - December 31					Weighted Average
	2026	2025	2025	2024	2023	2022	2021	
Profitability:								
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Combined Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	2.8	2.9	2.8	3.0	2.9	2.6	2.3	2.7
Pre-Tax Operating Return on Net Earned Premiums	8.5	7.4	18.6	18.2	5.2	3.5	1.0	10.3
Net Income Return on Policyholders' Surplus	2.6	3.1	5.9	6.8	1.1	0.6	-0.2	3.2
Total Return on Policyholders' Surplus	5.8	12.7	13.4	14.3	6.9	-5.5	18.8	9.8
Leverage:								
Net	1.0	1.0	1.0	1.0	1.2	1.2	1.1	...
Gross	...	...	1.0	1.1	1.2	1.2	1.1	...
Non-affiliated Investment	107.0	111.5	104.7	103.2	108.1	108.0	108.1	...

Source: BestLink® - Best's Financial Suite

Credit Analysis

Balance Sheet Strength

Andover's risk-adjusted capitalization is strongest as measured by BCAR at the 99.6 VaR confidence level. Balance sheet strength is reinforced by low underwriting leverage that compares favorably to composite metrics, strong liquidity measures supported by solid operating cash flows and modest reinsurance dependence. Low net and gross underwriting leverage measures indicate Andover's policyholder surplus position is less susceptible to deterioration due to pricing errors and loss reserve inadequacies. Furthermore, Andover purchases catastrophe and other forms of reinsurance to help protect its balance sheet against severe events. These factors are partially offset by very high common stock leverage, which illustrates an acute sensitivity to equity market fluctuations as well as modest adverse reserve developments in recent years driven by the Commercial Multi-Peril and General Liability lines of business due

Balance Sheet Strength (Continued...)

to inflationary pressures. Management has responded by strengthening reserving assumptions, increasing its focus on recent severity trends and large-loss activity, and enhancing monitoring of litigation and settlement trends. An annual independent actuarial review provides additional validation and challenging of management's reserve selections.

Capitalization

Andover's strongest risk-adjusted capitalization is driven by surplus growth in four of the last five years and through the third quarter of 2026, a low net premium written to surplus position, partially offset by modestly adverse development reported in recent years, driven by greater than expected losses in the commercial multi-peril and general liability lines of business from the impact of inflationary trends.

As of 2Q26, surplus increased by $80.3M, primarily driven by positive earnings of $39.8M, net unrealized capital gains of $51.4M, net deferred tax benefit of $2.0M, partially offset by $12.5M of other surplus losses.

Surplus grew meaningfully over the past five-year period, increasing by approximately $1.2B to $3.1B at year-end 2025. The increase was supported by cumulative net income of $377.9M, continued growth in investment income, and, most significantly, $794.6M of unrealized capital gains. Net underwriting performance also strengthened in the latter part of the period, with underwriting moving from losses in earlier years to a $72.3M gain in 2025. While investment gains, particularly unrealized capital appreciation, were the primary driver of surplus growth, the recent improvement in underwriting profitability provides an additional source of support.

	6-Months		Year End - December 31				
Capital Generation Analysis USD (000)	**2026**	**2025**	**2025**	**2024**	**2023**	**2022**	**2021**
Beginning Policyholders' Surplus	3,078,569	2,703,563	2,703,563	2,348,694	2,194,030	2,275,172	1,836,936
Net Operating Income	39,635	30,843	159,146	131,818	34,932	22,209	4,547
Net Realized Capital Gains (Losses)	151	12,476	12,707	40,362	-9,613	-9,659	-8,577
Net Unrealized Capital Gains (Losses)	51,421	133,683	216,734	190,054	131,852	-134,823	390,764
Stockholder Dividends	-500	...	...	...	...	...	...
Other Changes in Capital and Surplus	-10,430	-1,975	-13,581	-7,365	-2,507	41,131	51,502
Net Change in Policyholders' Surplus	80,276	175,028	375,006	354,869	154,664	-81,141	438,236
Ending Policyholders' Surplus	3,158,846	2,878,591	3,078,569	2,703,563	2,348,694	2,194,030	2,275,172
Net Change in Policyholders' Surplus (%)	2.6	6.5	13.9	15.1	7.0	-3.6	23.9
Net Change in Policyholders' Surplus (5 yr CAGR)	...	...	10.9	...	...	...	...

Source: BestLink® - Best's Financial Suite

	6-Months		Year End - December 31				
Liquidity Analysis	**2026**	**2025**	**2025**	**2024**	**2023**	**2022**	**2021**
Net Operating Cash Flow USD (000)	69,734	100,760	264,118	242,631	71,633	122,034	125,821
Current Liquidity (%)	212.0	204.4	218.1	221.6	179.0	176.2	188.1

Source: BestLink® - Best's Financial Suite

Asset Liability Management - Investments

Andover's investment portfolio allocations reflect management's response to the suppressed interest rate environment for most of the recent five-year period. In prior years, after an influx of calls on fixed-income securities, management decided to reinvest proceeds into common stock, believing equities would generate better returns. As of year-end 2025, the investment portfolio was primarily comprised of common stock (68%), with smaller positions in intermediate-term bonds (17%), and cash and short-term investments (7%). Although this strategy has resulted in investment yields that are comparable to composite averages and total return on invested assets that have exceeded composite averages, it does not come without risk, which is reflected in Andover's very high common stock leverage. At 101.1% as of year-end 2025, policyholder surplus is highly sensitive to shifts in equity markets and has a greater potential to be negatively impacted, should markets deteriorate, as illustrated in 2022 and first quarter of 2026. Andover somewhat mitigates the associated risk through focusing investments in large-cap, dividend paying stocks and utilizes an external adviser to augment knowledge and expertise, as well as the long-term investment horizon.

Liquidity metrics (quick, current and overall) are strong, compare favorably to composite averages, and are positively influenced by Andover's common stock position. Liquidity is also supported by solid operating cash flows in each of the last five years, which are derived from investment and underwriting activities.

Balance Sheet Strength (Continued...)

Composition of Cash and Invested Assets	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Total Cash and Invested Assets USD (000)	4,715,221	4,324,434	4,579,144	4,038,505	3,532,967	3,310,539	3,365,827
Composition Percentages (%)							
Unaffiliated:							
Cash and Short Term Investments	6.9	8.4	7.3	12.5	7.9	8.9	13.9
Bonds	16.9	14.7	16.9	15.5	16.9	15.7	9.0
Stocks	69.3	68.2	68.0	66.5	69.5	68.9	71.8
Other Invested Assets	2.4	6.0	2.4	2.7	2.4	2.6	1.3
Total Unaffiliated	95.5	97.4	94.6	97.1	96.6	96.2	96.0
Investments in Affiliates	4.5	2.6	5.4	2.9	3.4	3.8	4.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Composition of Bond Quality (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Investment Grades							
Class 1 (Highest Quality)	84.0	79.9	83.6	79.6	86.2	88.4	99.3
Class 2 (High Quality)	16.0	20.1	16.4	20.4	13.6	11.5	0.7
Total Investment Grade	100.0	100.0	100.0	100.0	99.9	99.8	100.0
Non-Investment Grades							
Class 3 (Medium Quality)	...	...	...	...	0.1	0.2	...
Total Non-Investment Grade	...	...	...	...	0.1	0.2	...

Source: BestLink® - Best's Financial Suite

Bonds and Short Term Investments	Years 0-1	1-5	5-10	10-20	20+	Average (Years)
Distribution by Maturity (%)						
Total Publicly Traded Bonds	6.4	30.2	33.6	9.7	2.9	5.6
Total Privately Placed Bonds	1.8	9.9	4.2	1.0	0.3	0.9
Total Bonds	8.2	40.1	37.8	10.7	3.1	6.5

Source: BestLink® - Best's Financial Suite

Bonds by Issuer (%)	Year End - December 31 2025
U.S. Govt & Municipalities - Issuer Credit Obligations	15.3
All other Issuer Credit Obligations - U.S. - Unaffiliated	31.1
All other Issuer Credit Obligations - Foreign - Unaffiliated	5.7
Asset-Backed Securities - U.S. - Unaffiliated	45.2
Asset-Backed Securities - Foreign - Unaffiliated	2.7

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

As a property-predominant writer, Andover's loss reserve development patterns are relatively short tail. On a direct basis, modest adverse reserve development in recent years has been driven primarily by inflationary pressures affecting the Commercial Multi-Peril and General Liabilities lines of business. Management has responded by strengthening reserving assumptions, increasing its focus on recent severity trends and large-loss activity, and enhancing monitoring of litigation and settlement trends. An annual independent actuarial review provides additional validation and challenging of management's reserve selections. Reported development patterns are also influenced by the accounting treatment of assumed business, under which losses are attributed to the applicable policy year. This can distort reported development due to the timing of severe events occurring throughout the policy year, particularly when the policy period spans multiple calendar years. Excluding this reporting effect, overall reserve development improves considerably.

AMB #: 000166 - Andover Companies Pool

Balance Sheet Strength (Continued...)

Loss and Loss Adjustment Expense Reserves and Development - Calendar Year	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Loss and ALAE* Reserves USD (000)	670,034	615,994	603,925	608,677	574,237	607,001	546,417
Loss and ALAE* Reserves Development USD (000)	2,454	34,046	...	67,494	27,710	41,477	32,745
Development to:							
Original Reserves (%)	...	...	...	12.5	5.1	7.3	6.4
Prior Year End Reserves(%)	0.4	6.1	...	...	...	...	...
Prior Year End Surplus (%)	0.1	1.3	...	2.5	1.2	1.9	1.4

Source: BestLink® - Best's Financial Suite

* Interim LAE reserves balances displayed include Adjusting and Other Unpaid as well as Defense and Cost Containment Unpaid. Year End LAE balances include Defense and Cost Containment Unpaid only.

Loss and Loss Adjustment Expense Reserves and Development - Accident Year	Year End - December 31				
	2025	2024	2023	2022	2021
Original Loss and ALAE Reserves USD (000)	228,273	204,334	214,372	253,328	251,431
Loss and ALAE Reserves Developed thru Latest Year End USD (000)	228,273	271,410	215,695	270,862	264,879
Development to Original Reserves (%)	...	32.8	0.6	6.9	5.3
Accident Year Loss and LAE Ratio (%)	45.0	55.1	63.0	68.3	69.5
Accident Year Combined Ratio (%)	85.0	96.6	103.4	107.2	109.9

Source: BestLink® - Best's Financial Suite

Operating Performance

Underwriting results have shown significant improvement in 2024, 2025 and through the third quarter of 2026 despite the impact of weather-related losses during the first half of the year. The results for the earlier part of the five-year period were largely impacted by severe weather events and in more recent years also due to rising loss costs from inflation. Despite this volatility, the five-year loss and LAE ratio is substantially lower than the personal property composite, reflective of strict underwriting guidelines and a focus on rate adequacy. In contrast, the underwriting expense ratio average is elevated relative to the composite, driven by higher commission costs that are typical for New England carriers. Overall, Andover reported a five-year average combined ratio that is modestly above breakeven but lower than the composite. The geographic concentration in the Northeast exposes Andover to severe weather events, which will continue to influence underwriting performance as will its exposure to catastrophes outside of its operating territory through its assumed property reinsurance program. To partially mitigate direct exposure, Andover maintains a comprehensive catastrophe reinsurance program with a large panel of highly rated reinsurers.

Net investment income, net underwriting income and other income have combined for positive pre-tax operating income in each of the past five years, albeit fluctuating in amount due to underwriting volatility. Core operations are consistently profitable as illustrated by a five-year average operating ratio that is well below breakeven and the composite. Both pre-tax returns on revenue and equity have been positive each year but influenced by underwriting losses in three of the past five years. These underwriting losses were driven by a deterioration in loss experience on the assumed catastrophe property program in 2021 and on direct business in 2022 and 2023 due to weather losses and rising loss costs on all lines of business from inflationary trends. But the net underwriting results showed significant improvement in 2024, 2025 and through the third quarter of 2026. This favorable trend is expected to continue going forward due to management's profitability initiatives. The Assumed Reinsurance Program has generated cumulative underwriting profit of approximately $133.0 million over the past 10 years, including particularly strong results in 2020, 2022 through 2025, despite losses in certain earlier years.

Net investment income has trended upward over the past five years, supported by the Group's strategy of investing primarily in dividend paying common stocks. The resulting income stream, along with material unrealized capital gains, has helped offset periods of underwriting losses. While the five-year investment yield has been broadly comparable to the composite, total return on invested assets has been well above the composite on a five- and ten-year basis, albeit with some volatility from equity market fluctuations. This volatility reflects the risk associated with the Group's relatively high common stock exposure.

NWP growth of 12.7% in 2025 and 16.5% in 2024 was primarily driven by aggressive rate actions implemented across all lines of business and states in recent years, with modest exposure growth providing an additional contribution. The elevated rate activity was largely in response to loss cost trends, the need to improve underwriting profitability and maintain rate adequacy. While rate increases continued to support premium growth in 2026, the magnitude of the increases has moderated as prior rate activities have become fully

Operating Performance (Continued...)

earned. As a result, NWP is projected to increase by a more modest $61.4 million, or 5.5% in 2026, with the slower growth reflecting a normalization in the pace of rate activity and a more measured contribution from exposure growth. Continued pricing discipline and adequate rates should, however, support ongoing premium growth and help sustain improvements in underwriting performance.

Operating and Financial Performance Ratios (%) - Company	6-Months		Year End - December 31					
	2026	2025	2025	2024	2023	2022	2021	Weighted Average
Calendar Year Loss and LAE Ratio	61.6	63.3	51.1	50.0	65.0	67.3	67.0	59.0
Expense and Policyholder Dividend Ratio	39.3	36.9	40.0	41.5	40.3	38.9	40.4	40.2
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	2.8	2.9	2.8	3.0	2.9	2.6	2.3	2.7
Pre-Tax Operating Return on Net Earned Premiums	8.5	7.4	18.6	18.2	5.2	3.5	1.0	10.3
Net Income Return on Policyholders' Surplus	2.6	3.1	5.9	6.8	1.1	0.6	-0.2	3.2
Total Return on Policyholders' Surplus	5.8	12.7	13.4	14.3	6.9	-5.5	18.8	9.8

Source: BestLink® - Best's Financial Suite

Operating and Financial Performance Ratios (%) - Composite	6-Months		Year End - December 31					
	2026	2025	2025	2024	2023	2022	2021	Weighted Average
Calendar Year Loss and LAE Ratio	64.3	74.6	63.7	79.9	80.1	78.4	73.7	74.7
Expense and Policyholder Dividend Ratio	28.7	28.6	27.0	26.1	26.6	26.9	29.0	27.0
Combined Ratio	93.0	103.2	90.7	106.0	106.7	105.2	102.7	101.7
Reserve Development Ratio Impact	-3.1	0.3	-0.1	1.7	1.8	-0.2	0.2	0.7
Net Investment Yield	3.2	3.1	3.2	3.1	3.3	2.2	2.1	2.8
Pre-Tax Operating Return on Net Earned Premiums	14.8	4.4	16.0	...	-0.4	-1.2	1.7	3.9
Net Income Return on Policyholders' Surplus	10.5	4.5	12.8	0.2	-0.9	-1.3	1.5	2.7
Total Return on Policyholders' Surplus	15.3	7.5	16.3	2.8	1.2	-4.2	5.8	4.7

Source: BestLink® - Best's Financial Suite

Industry Composite: Personal Property Composite - BestLink® - Best's Financial Suite

Business Profile

Andover Companies Pool is comprised of Merrimack Insurance Company, Cambridge Insurance Company and Bay State Insurance Company, which operate under an intercompany pooling agreement. Collectively, the pool predominantly writes in the Northeast region through a wide network of independent agents. The majority of direct premium written is from Massachusetts, where Andover maintains a strong presence as one of the leading homeowners' writers.

Andover achieves modest geographic diversification through assumed domestic and international personal property business from carefully selected strategic partners. Historically, the assumed business has been profitable but exposes the pool to potential severe weather events that can negatively impact results. The non-correlated nature of the direct and assumed business has proven to effectively offset volatility in past years.

Andover also writes business in New York, New Jersey, Connecticut, Illinois, Rhode Island, New Hampshire and Maine. The concentration risk in the Northeast is partially mitigated by a comprehensive catastrophe reinsurance program. Aside from homeowners, the next largest lines written on a direct basis are commercial multi-peril, fire, allied lines, other liability, and inland marine. Additionally, assumed reinsurance (personal property) business represents approximately 15% of net premiums written.

Andover focuses on achieving rate adequacy to protect against underwriting volatility. The pool has built in several edits to its online rating system to control risk submission and write what it believes to be desirable business.

Business Profile (Continued...)

Premium Composition and Growth	6-Months		Year End - December 31					5 Year CAGR
	2026	2025	2025	2024	2023	2022	2021	
Direct Premiums Written USD (000)	514,934	491,365	1,050,309	944,742	826,837	736,094	663,389	...
% Change	4.8	14.1	11.2	14.3	12.3	11.0	7.4	11.2
Reinsurance Premiums Assumed USD (000)*	603,782	589,918	167,292	150,479	117,850	128,735	143,694	...
% Change	2.4	15.8	11.2	27.7	-8.5	-10.4	-2.1	2.6
Reinsurance Premiums Ceded USD (000)*	539,617	520,502	98,252	102,305	92,087	73,259	56,202	...
% Change	3.7	13.3	-4.0	11.1	25.7	30.4	-27.1	5.0
Net Premiums Written USD (000)	579,099	560,781	1,119,349	992,916	852,601	791,570	750,882	...
% Change	3.3	16.6	12.7	16.5	7.7	5.4	9.3	10.2

Source: BestLink® - Best's Financial Suite

*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

2025 By Line Business	Direct Premiums Written		Reinsurance Premiums Assumed		Reinsurance Premiums Ceded		Net Premiums Written		Business Retention
	USD (000)	%	USD (000)	%	USD (000)	%	USD (000)	%	%
Homeowners	606,150	57.7	2,155	1.3	61,015	62.1	547,290	48.9	90.0
Comm M.P.	222,805	21.2	...	...	19,590	19.9	203,215	18.2	91.2
Fire	79,547	7.6	327	0.2	6,306	6.4	73,569	6.6	92.1
Allied Lines	75,473	7.2	692	0.4	6,770	6.9	69,395	6.2	91.1
Other Liab Occurrence	52,440	5.0	98	0.1	2,348	2.4	50,189	4.5	95.5
Top 5	1,036,415	98.7	3,272	2.0	96,028	97.7	943,659	84.3	90.8
All Other	13,894	1.3	164,020	98.0	2,224	2.3	175,691	15.7	98.7
Total	1,050,309	100.0	167,292	100.0	98,252	100.0	1,119,349	100.0	91.9

Source: BestLink® - Best's Financial Suite

Geographic Breakdown by Direct Premiums Written USD (000)	Year End - December 31				
	2025	2024	2023	2022	2021
Massachusetts	402,970	356,163	317,488	281,578	254,847
New York	220,832	211,802	181,792	156,921	138,216
New Jersey	118,573	105,838	94,789	88,427	80,670
Connecticut	91,419	75,893	62,477	56,662	52,903
Illinois	68,333	59,453	48,329	42,889	39,225
Top 5 States	902,127	809,149	704,876	626,476	565,862
All Other	148,182	135,593	121,961	109,618	97,528
Total	1,050,309	944,742	826,837	736,094	663,389
Geographic Concentration Index	0.22	...	...	...	...

Source: BestLink® - Best's Financial Suite

Enterprise Risk Management

Andover's enterprise risk management (ERM) is considered appropriate for its risk profile. A formal program has been developed that includes participation from an ERM team, the Executive Leadership team and the Board. The ERM team maintains the program, provides oversight of risk exposure and mitigation, monitors industry developments and performs periodic analysis of risk-adjusted capitalization for changes in strategy. The Executive Leadership team meets regularly to discuss all aspects of ongoing operations and consists of the Chairman and CEO, the Senior Executive Vice President and COO and six Senior Vice Presidents, each representing a different functional area. Lastly, the Board monitors the identification and response to current and emerging risks, reviews risk tolerances and has an established sub-committee to focus on key areas of operations. The Vice President and Treasurer acts as the liaison between the ERM team, Executive Leadership team and Board. A formal document outlines the definition, prioritization, mitigation, risk appetite and tolerances for catastrophe, investment, operational, cyber security, underwriting, strategic and credit risks.

Andover regularly tests the impact of various scenarios on risk-adjusted capitalization. Management maintains a degree of skepticism regarding the accuracy of the catastrophe models. Despite this, the pool purchases reinsurance that provides coverage in excess of the

Enterprise Risk Management (Continued...)

1/100-year total all perils probable maximum loss. Management has prudently made efforts to improve its risk management capabilities, specifically in regard to risk identification and quantification, its reinsurance program and formal documentation.

Reinsurance Summary

Andover strategically uses reinsurance to insulate itself from severe events and large losses. The Group's 2026 catastrophe reinsurance program's top limit increased to $1.75B from $1.65B, with $225M retention. The program provides coverage through six layers including a 3-year catastrophe bond was expanded to provide $250M of coverage in 2026. CAT risk management efforts also include higher or additional deductibles, enhanced AIR modeling using Nearmap data, and selective non-renewals. The program provides coverage up to a 1-in-161-year total all perils PML. In addition, the Group maintains several XOL and QS arrangements covering personal and commercial property/casualty and specialty exposures.

Environmental, Social & Governance

AM Best considers Andover's exposure to material environmental, social, and corporate governance (ESG) risks to be modest. The main ESG risk to the group is climate risk, as rising global temperatures contribute to increased frequency and severity of natural catastrophe events. Andover is geographically concentrated in Northeastern states, which exposes it to these events. However, the group utilizes a comprehensive reinsurance program comprised of highly rated reinsurers to manage this risk. As a result, Andover has adequately absorbed these risks in the past.

Financial Statements

	6-Months		Year End - December 31			
	2026		2025		2024	
Balance Sheet	**USD (000)**	**%**	**USD (000)**	**%**	**USD (000)**	**%**
Cash and Short Term Investments	327,690	6.3	336,400	6.7	503,429	11.4
Bonds	794,655	15.2	773,632	15.4	627,268	14.2
Preferred and Common Stock	3,368,956	64.4	3,244,434	64.6	2,683,601	60.6
Other Invested Assets	223,920	4.3	224,678	4.5	224,207	5.1
Total Cash and Invested Assets	4,715,221	90.1	4,579,144	91.2	4,038,505	91.2
Premium Balances	402,285	7.7	343,631	6.8	310,236	7.0
Other Assets	117,133	2.2	97,525	1.9	80,891	1.8
Total Assets	5,234,639	100.0	5,020,299	100.0	4,429,632	100.0
Loss and Loss Adjustment Expense Reserves:						
Net Reported Loss Reserves*	472,610	9.0	378,682	7.5	337,411	7.6
Net IBNR Loss Reserves*	197,424	3.8	177,734	3.5	160,042	3.6
Net LAE Reserves	...	...	66,475	1.3	64,331	1.5
Total Net Loss and LAE Reserves	670,034	12.8	622,891	12.4	561,784	12.7
Net Unearned Premiums	609,480	11.6	571,023	11.4	515,257	11.6
Other Liabilities	796,280	15.2	747,816	14.9	649,028	14.7
Total Liabilities	2,075,794	39.7	1,941,730	38.7	1,726,068	39.0
Capital Stock	10,001	0.2	1	...	1	...
Unassigned Surplus	3,147,844	60.1	3,077,568	61.3	2,702,562	61.0
Other Surplus	1,000	...	1,000	...	1,000	...
Total Policyholders' Surplus	3,158,846	60.3	3,078,569	61.3	2,703,563	61.0
Total Liabilities and Surplus	5,234,639	100.0	5,020,299	100.0	4,429,632	100.0

Source: BestLink® - Best's Financial Suite
* Interim reserves balances include LAE.

AMB #: 000166 - Andover Companies Pool

Income Statement USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	Year End - December 31 2024
Net Premiums Earned	540,642	498,020	1,063,583	923,224
Net Losses and LAE Incurred:				
Current Accident Year	330,797	281,034	478,686	444,586
Prior Accident Years	2,454	34,046	65,317	16,637
Underwriting Expenses Incurred	227,647	207,133	447,267	411,695
Net Underwriting Income	-20,255	-24,193	72,312	50,306
Net Investment Income	64,825	59,749	120,904	113,651
Other Income (Expense)	1,309	1,546	4,148	3,862
Pre-Tax Operating Income	45,879	37,102	197,364	167,819
Income Taxes Incurred	6,244	6,259	38,218	36,001
Net Operating Income	39,635	30,843	159,146	131,818
Net Realized Capital Gains (Losses)	151	12,476	12,707	40,362
Net Income	39,785	43,319	171,853	172,180

Source: BestLink® - Best's Financial Suite

Statement of Operating Cash Flows USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	Year End - December 31 2024
Net Premiums Collected	556,712	538,961	1,098,788	1,254,048
Net Losses Paid	263,454	254,436	438,349	679,285
Expenses Paid	280,509	236,288	473,736	402,961
Net Underwriting Cash Flow	12,749	48,237	186,703	171,802
Net Investment Income	61,536	57,284	114,815	109,857
Other Income (Expense)	1,511	1,339	3,940	5,304
Income Taxes Paid (Recovered)	6,062	6,100	41,340	44,331
Net Operating Cash Flow	69,734	100,760	264,118	242,631

Source: BestLink® - Best's Financial Suite

Last Update
October 22, 2026

Identifiers
AMB #: 000166

Contact Information

This company is a data record that AM Best utilizes to represent the AM Best Consolidated financials for the Property/Casualty business of AMB#: 049623 The Andover Companies, Inc..

AMB#: 002055 Merrimack Insurance Company has been assigned as the AMB Group Lead for this consolidation and should be used to access name, address, or other contact information for this AM Best Consolidated Group.

Financial Data Presented

See LINK for details of the entities represented by the data presented in this report.

Andover Companies Pool

Operations

Date Incorporated: February 11, 1828

Domiciled: Massachusetts, United States

Business Type: Property/Casualty
Organization Type: Mutual
Marketing Type: Independent Agency

Best's Credit Ratings

Rating Relationship

This group represents an AM Best Rating Unit. In our opinion, companies under this Rating Unit have an Excellent ability to meet their ongoing insurance obligations and an Excellent ability to meet their ongoing senior financial obligations.

Best's Credit Rating Effective Date: October 22, 2026

Rating rationale and credit analysis can be found in the Best's Credit Report for AMB# 000166 - Andover Companies Pool.

		Best's Credit Ratings	
AMB#	**Rating Unit Members**	**Financial Strength Rating**	**Long-Term Issuer Credit Rating**
002053	Bay State Insurance Company	A	a+
002054	Cambridge Insurance Company	A	a+
002055	Merrimack Insurance Company	A	a+

Corporate Structure

Associated Ultimate Parent: AMB # 049623 - The Andover Companies, Inc.

Based on AM Best's analysis, AMB# 049623 The Andover Companies, Inc. is the Associated Ultimate Parent to this group. Its current data structure is based on the corporate structure for the associated ultimate parent and the non-legal entities such as data records and AM Best Groups. Access current Data Structure in BestLink.

History

The Andover Companies Pool is led by Merrimack Mutual Fire Insurance Company, which began operations in 1828. Cambridge Mutual Fire Insurance Company was incorporated in 1833 and commenced business in 1834. Bay State Insurance Company, formed in 1955, was the most recent addition to the group.

State Rate Filings

Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to Best's State Rate Filings - 000166 - Andover Companies Pool

Major Line	2026	2025	2024	2023	2022
Commercial General Liability	...	7	6	4	2
Commercial Interline	1	1	3	...	1
Commercial Multi-Peril	5	20	33	9	12
Fire And Allied Lines (Personal Property)	10	19	19	13	9
Homeowners Multi-Peril	14	34	43	35	24
Personal General Liability	3	10	2	3	2
Personal Interline	10	3	4	...	4
Total	43	94	110	64	54

Source: Best's State Rate Filings

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent AM Best consolidated statements available in BestLink - Best's Statement File – P/C, US. Access Quantitative Analytical Report (QAR) Annual and Quarterly for additional details.

Currency: US Dollars

Balance Sheet Highlights

Ceded Reinsurance Analysis	Year End - December 31 2025	2024	2023	2022	2021
Andover Companies Pool					
Ceded Reinsurance USD (000)	117,936	134,420	118,048	100,046	72,613
Business Retention (%)	91.9	90.7	90.3	91.5	93.0
Reinsurance Recoverables to PHS (%)	0.6	1.2	1.1	1.2	0.7
Ceded Reinsurance to PHS (%)	3.8	5.0	5.0	4.6	3.2
Personal Property Composite					
Business Retention (%)	47.2	47.1	49.2	50.9	50.9
Reinsurance Recoverables to PHS (%)	20.7	30.1	24.6	32.3	20.1
Ceded Reinsurance to PHS (%)	55.0	66.4	56.6	60.8	46.1

Source: BestLink® - Best's Financial Suite

2025 Reinsurance Recoverables USD (000)	Paid & Unpaid Losses	Incurred but not reported (IBNR) losses	Unearned premiums	Other Recoverables	Total Reinsurance Recoverables
US Affiliates	379,087	122,420	502,901	36,556	1,040,963
US Insurers	6,002	...	10,530	1,712	18,244
Pools/Associations	...	...	70	...	70
Other Non-US	1,372	...	...	...	1,372
Total (excluding US Affiliates)	7,374	...	10,600	1,712	19,686
Grand Total	386,461	122,420	513,498	38,268	1,060,650

Source: BestLink® - Best's Financial Suite

AMB #: 000166 - Andover Companies Pool

Balance Sheet Highlights

Asset Liability Management | Investments

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Composition of Bond Quality (%)							
Investment Grades							
Class 1 (Highest Quality)	84.0	79.9	83.6	79.6	86.2	88.4	99.3
Class 2 (High Quality)	16.0	20.1	16.4	20.4	13.6	11.5	0.7
Total Investment Grade	100.0	100.0	100.0	100.0	99.9	99.8	100.0
Non-Investment Grades							
Class 3 (Medium Quality)	...	...	...	...	0.1	0.2	...
Total Non-Investment Grade	...	...	...	...	0.1	0.2	...

Source: BestLink® - Best's Financial Suite

	Year End - December 31
	2025
Bonds by Issuer (%)	
U.S. Govt & Municipalities - Issuer Credit Obligations	15.3
All other Issuer Credit Obligations - U.S. - Unaffiliated	31.1
All other Issuer Credit Obligations - Foreign - Unaffiliated	5.7
Asset-Backed Securities - U.S. - Unaffiliated	45.2
Asset-Backed Securities - Foreign - Unaffiliated	2.7

Source: BestLink® - Best's Financial Suite

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Stock Portfolio							
Stocks USD(000)	3,368,956	2,950,428	3,244,434	2,683,601	2,454,430	2,282,523	2,416,633
By Type (%)							
Unaffiliated Common	...	...	95.9	100.0	100.0	100.0	100.0
Affiliated Common	...	...	4.1	...	...	...	...

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

Operating and Financial Performance Ratios (%)	6-Months		Year End - December 31					
	2026	2025	2025	2024	2023	2022	2021	Weighted Average
Personal Property Composite								
Calendar Year Loss and LAE Ratio	64.3	74.6	63.7	79.9	80.1	78.4	73.7	74.7
Expense and Policyholder Dividend Ratio	28.7	28.6	27.0	26.1	26.6	26.9	29.0	27.0
Combined Ratio	93.0	103.2	90.7	106.0	106.7	105.2	102.7	101.7
Reserve Development Ratio Impact	-3.1	0.3	-0.1	1.7	1.8	-0.2	0.2	0.7
Net Investment Yield	3.2	3.1	3.2	3.1	3.3	2.2	2.1	2.8
Pre-Tax Operating Return on Net Earned Premiums	14.8	4.4	16.0	...	-0.4	-1.2	1.7	3.9
Net Income Return on Policyholders' Surplus	10.5	4.5	12.8	0.2	-0.9	-1.3	1.5	2.7
Total Return on Policyholders' Surplus	15.3	7.5	16.3	2.8	1.2	-4.2	5.8	4.7

Source: BestLink® - Best's Financial Suite

AMB #: 000166 - Andover Companies Pool

Operating Performance Highlights

	Year End - December 31				
	2025	2024	2023	2022	2021
By Line - Net Loss Ratio (%)					
Homeowners	41.7	43.2	65.6	59.6	55.3
Comm M.P.	46.8	49.1	61.5	63.1	50.0
Rein-NPA Prop	57.4	29.3	27.5	70.4	95.1
Fire	49.0	43.5	48.0	47.1	42.0
Allied Lines	40.4	32.2	86.1	56.4	59.3
Other Liab	52.5	80.3	56.6	43.6	34.1
Inland Marine-T	21.0	17.2	20.3	23.6	20.0
Auto Phys Dmg	53.6	70.9	74.0	63.0	51.6
PP Auto Liab	71.4	85.8	66.9	60.7	48.6
All Other	...	200.0	...	...	-99.9
Total	45.8	43.3	58.4	59.6	59.6

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
Geographic - Direct Loss Ratio (%)	2025	2024	2023	2022	2021
Massachusetts	34.5	31.8	54.1	45.4	38.5
New York	42.5	59.3	62.9	62.6	53.6
New Jersey	43.5	47.0	55.3	48.1	61.0
Connecticut	48.8	49.3	51.5	53.8	51.9
Illinois	36.5	32.9	50.2	71.9	44.0
Rhode Island	35.4	40.8	68.5	65.2	47.0
New Hampshire	29.8	38.3	50.1	50.5	54.3
Maine	44.7	29.7	63.8	65.8	37.7
Total	38.9	41.8	56.9	53.9	46.9

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Historical Market Presence

	Year End - December 31				
	2025	2024	2023	2022	2021
By Line Breakdown - NPW USD (000)					
Homeowners	547,290	475,525	411,972	370,306	338,704
Comm M.P.	203,215	186,210	158,887	140,010	122,629
Rein-NPA Prop	159,146	144,114	112,404	123,841	138,840
Fire	73,569	66,814	63,197	58,087	55,457
Allied Lines	69,395	56,811	46,069	42,257	39,311
Other Liab	50,189	47,072	44,761	42,074	40,914
Inland Marine-T	11,670	11,568	11,335	11,367	11,401
Auto Phys Dmg	2,585	2,573	2,079	1,862	1,845
PP Auto Liab	2,289	2,230	1,896	1,766	1,780
Total	1,119,349	992,916	852,601	791,570	750,882

Source: BestLink® - Best's Financial Suite

AMB #: 000166 - Andover Companies Pool

Business Profile Highlights

Historical Market Presence (Continued...)

	Year End - December 31		
	2025	2024	2023
By Line Reserves USD (000)			
Rein-NPA Prop	175,483	176,164	190,500
Comm M.P.	172,185	148,814	115,830
Homeowners	150,497	124,220	164,658
Other Liab	86,443	81,415	63,213
Fire	25,958	21,492	24,040
Allied Lines	9,680	7,015	16,446
PP Auto Liab	1,892	2,018	1,676
Inland Marine-T	604	469	808
Auto Phys Dmg	149	177	127
Total	622,891	561,784	577,297

Source: BestLink® - Best's Financial Suite

Last Update
October 22, 2026

Identifiers
AMB #: 002053
NAIC #: 19763
FEIN #: 04-2200004
LEI #: 254900GBNO9S0H8MJD47

Contact Information
Administrative Office:
95 Old River Road, Andover, Massachusetts 01810-1078
United States

Web: www.andovercompanies.com
Phone: +1-978-475-3300
Fax: +1-800-323-5112

Financial Data Presented

The financial data in this report reflects the most current data available at the time the report was printed.

Filing Date History

August 14, 2026 (6-Month)
May 14, 2026 (3-Month)
March 27, 2026 (April Annual)
February 25, 2026 (March Annual)
November 07, 2025 (9-Month)

Bay State Insurance Company

Operations

Date Incorporated: May 31, 1955 | **Date Commenced:** July 01, 1955

Domiciled: Massachusetts, United States

Licensed: (Current since 05/30/2019). The company is licensed in CT, IL, ME, MA, NH, NJ, NY, RI and VT.

Business Type: Property/Casualty
Organization Type: Stock
Marketing Type: Independent Agency
Best's Financial Size Category: XV (Greater than or Equal to USD 2.00 Billion)

Best's Credit Ratings

Rating Relationship

AM Best Rating Unit: **000166 - Andover Companies Pool**

Best's Credit Rating Effective Date: October 22, 2026

Bay State Insurance Company is a member of Andover Companies Pool (AMB# 000166) rating unit and the rating reflects the pooling arrangement with other members of the rating unit. Refer to the Best's Credit Report for AMB# 000166 - Andover Companies Pool for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 1956. In our opinion, the company has an Excellent ability to meet their ongoing insurance obligations and an Excellent ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to Rating History in BestLink:

	Best's Financial Strength Ratings				Best's Long-Term Issuer Credit Ratings		
Effective Date	**Rating**	**Affiliation**	**Outlook**	**Action**	**Rating**	**Outlook**	**Action**
Current - Oct 22, 2026	**A**	**p (Pooled Rating)**	**Stable**	**Affirmed**	**a+**	**Stable**	**Affirmed**
Sep 25, 2025	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Aug 28, 2024	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Jul 19, 2023	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Jun 27, 2022	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed

Corporate Structure

Ultimate Parent: AMB # 049623 - The Andover Companies, Inc.

Based on AM Best's analysis, AMB# 049623 The Andover Companies, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current Corporate Structure.

Management

Ownership, from commencement of business until 1969, was held jointly by the Merrimack Mutual Fire Insurance Company (75%) and the Cambridge Mutual Fire Insurance Company (25%). The latter's interest in that year was acquired by the Merrimack Mutual.

Under the same management are Cambridge Mutual Fire Insurance Company (organized in 1833) and Merrimack Mutual Fire Insurance Company, Andover, Mass., established in 1828.

Officers

President and CEO: Charles J. DiGrande
EVP: Paul R. Nadeau (Underwriting)
SVP: Stephen E. Randall (Claims)
Vice President, Secretary and General Counsel: Kevin J. Ouellette
Vice President and Treasurer: Amy L. DiPerna
Vice President: Justin H. Libbey (Marketing)
Vice President: Kevin A. McNamara (Information Technology)

Directors

John Appleton
Malcolm W. Brawn
David F. Dietz
Charles J. DiGrande
Amy L. DiPerna
Thomas J. Hollister
Paul J. Jacques
Amy A. Latimer
Justin H. Libbey
Kevin A. McNamara
Paul R. Nadeau
Kevin J. Ouellette
Karyn E. Polito
Stephen E. Randall
David A. Splaine

History

This company was incorporated May 31, 1955 under the laws of Massachusetts and began business July 1 of the same year. Paid up capital of $3,500,000 consists of 100,000 common shares at $35 par value each. All of the shares are outstanding.

Regulatory

Auditor: PricewaterhouseCoopers, LLP
Actuary: Christine K. Kogut, FCAS, MAAA

An examination of the financial condition is being made as of December 31, 2024, by the insurance department of Massachusetts. The 2025 annual independent audit of the company was conducted by PricewaterhouseCoopers, LLP. The annual statement of actuarial opinion is provided by Christine K. Kogut, FCAS, MAAA, PricewaterhouseCoopers, LLP.

Professional Service Providers

Investment Managers, Advisors, Brokers/Dealers:

- Wellington Management Company, LLP (Unaffiliated Firm)
- Amy L DiPerna (Internal Employee)

State Rate Filings

Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to Best's State Rate Filings - 002053 - Bay State Insurance Company

Major Line	2026	2025	2024	2023	2022
Commercial General Liability	...	2	1	1	...
Commercial Interline	...	...	3	...	1
Commercial Multi-Peril	...	4	6	3	5
Fire And Allied Lines (Personal Property)	1	...	...	...	...
Homeowners Multi-Peril	4	8	8	8	4
Personal General Liability	1	3	...	1	1
Personal Interline	1	2	2	...	2
Total	7	19	20	13	13

Source: Best's State Rate Filings

Financial Statements

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File – P/C, US.

Currency: US Dollars

	6-Months		Year End - December 31			
	2026		2025		2024	
Balance Sheet	USD (000)	%	USD (000)	%	USD (000)	%
Cash and Short Term Investments	47,793	3.7	55,946	4.6	91,621	8.8
Bonds	144,471	11.3	140,146	11.6	106,107	10.2
Preferred and Common Stock	987,045	77.2	930,763	76.9	762,189	73.3
Other Invested Assets	13,405	1.0	13,743	1.1	14,108	1.4
Total Cash and Invested Assets	1,192,713	93.3	1,140,598	94.3	974,025	93.7
Premium Balances	64,633	5.1	54,784	4.5	49,231	4.7
Other Assets	21,592	1.7	14,415	1.2	16,055	1.5
Total Assets	1,278,939	100.0	1,209,798	100.0	1,039,312	100.0
Loss and Loss Adjustment Expense Reserves:						
Net Reported Loss Reserves*	70,891	5.5	56,802	4.7	50,612	4.9
Net IBNR Loss Reserves*	29,614	2.3	26,660	2.2	24,006	2.3
Net LAE Reserves	...	...	9,971	0.8	9,650	0.9
Total Net Loss and LAE Reserves	100,505	7.9	93,434	7.7	84,268	8.1
Net Unearned Premiums	91,422	7.1	85,653	7.1	77,288	7.4
Other Liabilities	195,541	15.3	180,161	14.9	149,067	14.3
Total Liabilities	387,468	30.3	359,248	29.7	310,624	29.9
Capital Stock	3,500	0.3	3,500	0.3	3,500	0.3
Unassigned Surplus	887,971	69.4	847,050	70.0	725,188	69.8
Total Policyholders' Surplus	891,471	69.7	850,550	70.3	728,688	70.1
Total Liabilities and Surplus	1,278,939	100.0	1,209,798	100.0	1,039,312	100.0

Source: BestLink® - Best's Financial Suite

* Interim reserves balances include LAE.

AMB #: 002053 - Bay State Insurance Company

Income Statement USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	Year End - December 31 2024
Net Premiums Earned	81,096	74,703	159,537	138,484
Net Losses and LAE Incurred:				
Current Accident Year	49,620	42,155	71,803	66,688
Prior Accident Years	368	5,107	9,797	2,495
Underwriting Expenses Incurred	34,147	31,070	67,090	61,754
Net Underwriting Income	-3,038	-3,629	10,847	7,546
Net Investment Income	14,172	12,966	26,182	23,622
Other Income (Expense)	196	232	622	579
Pre-Tax Operating Income	11,330	9,569	37,651	31,747
Income Taxes Incurred	1,503	1,495	6,824	6,346
Net Operating Income	9,827	8,075	30,827	25,401
Net Realized Capital Gains (Losses)	45	38	69	49,740
Net Income	9,872	8,113	30,897	75,141

Source: BestLink® - Best's Financial Suite

Statement of Operating Cash Flows USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	Year End - December 31 2024
Net Premiums Collected	84,744	78,729	164,464	186,352
Net Losses Paid	39,988	36,548	66,666	102,408
Expenses Paid	42,255	33,448	70,760	59,112
Net Underwriting Cash Flow	2,500	8,734	27,039	24,833
Net Investment Income	13,099	11,986	24,923	23,115
Other Income (Expense)	227	201	591	796
Income Taxes Paid (Recovered)	942	1,215	6,915	19,630
Net Operating Cash Flow	14,884	19,705	45,637	29,113

Source: BestLink® - Best's Financial Suite

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – P/C, US. Access Quantitative Analytical Report (QAR) Annual and Quarterly for additional details.

Currency: US Dollars

Key Financial Indicators

Key Financial Indicators USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Premiums Written:							
Direct	100,648	93,771	201,902	171,430	151,261	128,600	110,172
Assumed*	86,876	84,128	21	19	...	...	2,460
Ceded*	100,659	93,781	34,020	22,511	23,371	9,865	...
Net	86,865	84,117	167,902	148,937	127,890	118,736	112,632
Net Operating Income	9,827	8,075	30,827	25,401	10,476	8,026	4,973
Net Income	9,872	8,113	30,897	75,141	9,788	6,508	4,973
Total Admitted Assets	1,278,939	1,142,161	1,209,798	1,039,312	926,832	825,092	838,877
Policyholders' Surplus	891,471	789,196	850,550	728,688	600,024	525,500	546,184

Source: BestLink® - Best's Financial Suite
*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

AMB #: 002053 - Bay State Insurance Company

Key Financial Indicators

Key Financial Ratios (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021	Weighted Average
Profitability:								
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Combined Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	2.4	2.6	2.5	2.6	2.7	2.6	2.3	2.6
Pre-Tax Operating Return on Net Earned Premiums	14.0	12.8	23.6	22.9	10.2	8.8	5.7	15.3
Net Income Return on Policyholders' Surplus	2.3	2.1	3.9	11.3	1.7	1.2	1.0	4.2
Total Return on Policyholders' Surplus	9.8	16.2	15.7	19.4	13.4	-5.0	21.8	13.4
Leverage:								
Net	0.6	0.7	0.6	0.6	0.8	0.8	0.7	...
Gross	...	...	0.6	0.6	0.8	0.8	0.7	...
Non-affiliated Investment	109.2	111.0	107.3	104.9	111.1	109.7	111.5	...

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Capital Generation Analysis USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Beginning Policyholders' Surplus	850,550	728,688	728,688	600,024	525,500	546,184	432,174
Net Operating Income	9,827	8,075	30,827	25,401	10,476	8,026	4,973
Net Realized Capital Gains (Losses)	45	38	69	49,740	-688	-1,518	...
Net Unrealized Capital Gains (Losses)	32,674	53,257	93,076	53,852	65,449	-33,558	101,457
Other Changes in Capital and Surplus	-1,625	-862	-2,110	-329	-713	6,366	7,581
Net Change in Policyholders' Surplus	40,921	60,508	121,862	128,664	74,524	-20,685	114,011
Ending Policyholders' Surplus	891,471	789,196	850,550	728,688	600,024	525,500	546,184
Net Change in Policyholders' Surplus (%)	4.8	8.3	16.7	21.4	14.2	-3.8	26.4
Net Change in Policyholders' Surplus (5 yr CAGR)	...	...	14.5	...	...	...	...

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Net Operating Cash Flow USD (000)	14,884	19,705	45,637	29,113	16,045	19,905	24,553
Current Liquidity (%)	301.0	289.4	308.7	309.5	247.1	236.4	249.5

Source: BestLink® - Best's Financial Suite

Ceded Reinsurance Analysis	Year End - December 31 2025	2024	2023	2022	2021
Bay State Insurance Company					
Ceded Reinsurance USD (000)	15	232	...	...	...
Business Retention (%)	83.2	86.9	84.5	92.3	100.0
Personal Property Composite					
Business Retention (%)	47.2	47.1	49.2	50.9	50.9
Reinsurance Recoverables to PHS (%)	20.7	30.1	24.6	32.3	20.1
Ceded Reinsurance to PHS (%)	55.0	66.4	56.6	60.8	46.1

Source: BestLink® - Best's Financial Suite

AMB #: 002053 - Bay State Insurance Company

Balance Sheet Highlights

	Paid & Unpaid Losses	Incurred but not reported (IBNR) losses	Unearned premiums	Other Recoverables	Total Reinsurance Recoverables
2025 Reinsurance Recoverables USD (000)					
US Affiliates	64,009	12,499	106,495	9,199	192,202
Pools/Associations	...	...	5	...	5
Total (excluding US Affiliates)	...	...	5	...	5
Grand Total	64,009	12,499	106,499	9,199	192,207

Source: BestLink® - Best's Financial Suite

Asset Liability Management | Investments

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Composition of Cash and Invested Assets							
Total Cash and Invested Assets USD (000)	1,192,713	1,055,740	1,140,598	974,025	818,889	720,719	744,026
Composition Percentages (%)							
Unaffiliated:							
Cash and Short Term Investments	4.0	5.7	4.9	9.4	4.9	6.3	9.9
Bonds	12.1	10.2	12.3	10.9	12.1	11.8	6.3
Stocks	81.5	80.7	79.9	78.3	81.4	80.0	81.9
Other Invested Assets	0.2	2.3	0.2	0.2	...	...	...
Total Unaffiliated	97.7	98.9	97.2	98.8	98.4	98.1	98.0
Investments in Affiliates	2.3	1.1	2.8	1.3	1.6	1.9	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Composition of Bond Quality (%)							
Investment Grades							
Class 1 (Highest Quality)	83.8	80.0	83.7	80.0	88.0	89.0	100.0
Class 2 (High Quality)	16.2	20.0	16.3	20.0	11.9	10.8	...
Total Investment Grade	100.0	100.0	100.0	100.0	99.9	99.9	100.0
Non-Investment Grades							
Class 3 (Medium Quality)	...	...	...	...	0.1	0.1	...
Total Non-Investment Grade	...	...	...	...	0.1	0.1	...

Source: BestLink® - Best's Financial Suite

	Years					
Bonds and Short Term Investments	0-1	1-5	5-10	10-20	20+	Average (Years)
Distribution by Maturity (%)						
Total Publicly Traded Bonds	6.2	29.6	34.6	9.4	2.8	5.6
Total Privately Placed Bonds	2.1	9.7	4.1	1.1	0.3	0.9
Total Bonds	8.3	39.3	38.7	10.5	3.2	6.5

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments (Continued...)

	Year End - December 31
	2025
Bonds by Issuer (%)	
U.S. Govt & Municipalities - Issuer Credit Obligations	15.9
All other Issuer Credit Obligations - U.S. - Unaffiliated	30.0
All other Issuer Credit Obligations - Foreign - Unaffiliated	5.9
Asset-Backed Securities - U.S. - Unaffiliated	45.9
Asset-Backed Securities - Foreign - Unaffiliated	2.3

Source: BestLink® - Best's Financial Suite

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Stock Portfolio							
Stocks USD(000)	987,045	851,876	930,763	762,189	666,715	576,428	609,022
By Type (%)							
Unaffiliated Common	...	...	97.9	100.0	100.0	100.0	100.0
Affiliated Common	...	...	2.1	...	...	...	...

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

Loss and Loss Adjustment Expense Reserve Development

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Calendar Year:							
Loss and ALAE* Reserves USD (000)	100,505	92,399	90,588	91,302	86,136	91,050	81,962
Loss and ALAE* Reserves Development USD (000)	368	5,107	...	10,125	4,155	6,221	4,912
Development to:							
Original Reserves (%)	...	...	...	12.5	5.1	7.3	6.4
Prior Year End Reserves(%)	0.4	6.1	...	...	...	...	...
Prior Year End Surplus (%)	...	0.7	...	1.4	0.7	1.2	0.9

Source: BestLink® - Best's Financial Suite

* Interim LAE reserves balances displayed include Adjusting and Other Unpaid as well as Defense and Cost Containment Unpaid. Year End LAE balances include Defense and Cost Containment Unpaid only.

	Year End - December 31				
	2025	2024	2023	2022	2021
Accident Year:					
Original Loss and ALAE Reserves USD (000)	34,241	30,650	32,156	37,999	37,715
Loss and ALAE Reserves Developed thru Latest Year End USD (000)	34,241	40,712	32,354	40,629	39,732
Development to Original Reserves (%)	...	32.8	0.6	6.9	5.3
Accident Year Loss and LAE Ratio (%)	45.0	55.1	63.0	68.3	69.5
Accident Year Combined Ratio (%)	85.0	96.6	103.4	107.2	109.9

Source: BestLink® - Best's Financial Suite

AMB #: 002053 - Bay State Insurance Company

Operating Performance Highlights

Operating and Financial Performance Ratios (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021	Weighted Average
Bay State Insurance Company								
Calendar Year Loss and LAE Ratio	61.6	63.3	51.1	50.0	65.0	67.3	67.0	59.0
Expense and Policyholder Dividend Ratio	39.3	36.9	40.0	41.5	40.3	38.9	40.4	40.2
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	2.4	2.6	2.5	2.6	2.7	2.6	2.3	2.6
Pre-Tax Operating Return on Net Earned Premiums	14.0	12.8	23.6	22.9	10.2	8.8	5.7	15.3
Net Income Return on Policyholders' Surplus	2.3	2.1	3.9	11.3	1.7	1.2	1.0	4.2
Total Return on Policyholders' Surplus	9.8	16.2	15.7	19.4	13.4	-5.0	21.8	13.4

Source: BestLink® - Best's Financial Suite

Operating and Financial Performance Ratios (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021	Weighted Average
Personal Property Composite								
Calendar Year Loss and LAE Ratio	64.3	74.6	63.7	79.9	80.1	78.4	73.7	74.7
Expense and Policyholder Dividend Ratio	28.7	28.6	27.0	26.1	26.6	26.9	29.0	27.0
Combined Ratio	93.0	103.2	90.7	106.0	106.7	105.2	102.7	101.7
Reserve Development Ratio Impact	-3.1	0.3	-0.1	1.7	1.8	-0.2	0.2	0.7
Net Investment Yield	3.2	3.1	3.2	3.1	3.3	2.2	2.1	2.8
Pre-Tax Operating Return on Net Earned Premiums	14.8	4.4	16.0	...	-0.4	-1.2	1.7	3.9
Net Income Return on Policyholders' Surplus	10.5	4.5	12.8	0.2	-0.9	-1.3	1.5	2.7
Total Return on Policyholders' Surplus	15.3	7.5	16.3	2.8	1.2	-4.2	5.8	4.7

Source: BestLink® - Best's Financial Suite

By Line - Net Loss Ratio (%)	Year End - December 31 2025	2024	2023	2022	2021
Homeowners	41.7	43.2	65.6	59.6	55.3
Comm M.P.	46.8	49.1	61.5	63.1	50.0
Rein-NPA Prop	57.4	29.3	27.5	70.4	95.1
Fire	49.0	43.5	48.0	47.1	42.0
Allied Lines	40.4	32.2	86.1	56.4	59.3
Other Liab	52.5	80.3	56.6	43.6	34.1
Inland Marine-T	21.0	17.2	20.3	23.6	20.0
Auto Phys Dmg	53.6	70.9	74.0	63.0	51.6
PP Auto Liab	71.4	85.8	66.9	60.7	48.6
All Other	...	...	...	...	-99.9
Total	45.8	43.3	58.4	59.6	59.6

Source: BestLink® - Best's Financial Suite

Geographic - Direct Loss Ratio (%)	Year End - December 31 2025	2024	2023	2022	2021
Massachusetts	35.7	36.5	58.9	53.7	39.9
New Jersey	53.5	59.8	58.6	60.1	74.0
New York	49.7	47.0	69.6	113.3	103.6
Total	39.7	41.2	59.8	60.7	52.5

Source: BestLink® - Best's Financial Suite

AMB #: 002053 - Bay State Insurance Company

Business Profile Highlights

Premium Composition and Growth	6-Months		Year End - December 31					
	2026	2025	2025	2024	2023	2022	2021	5 Year CAGR
Direct Premiums Written USD (000)	100,648	93,771	201,902	171,430	151,261	128,600	110,172	...
% Change	7.3	21.4	17.8	13.3	17.6	16.7	10.1	15.1
Reinsurance Premiums Assumed USD (000)*	86,876	84,128	21	19	...	...	2,460	...
% Change	3.3	16.6	12.9	...	...	-99.9	-19.0	-63.0
Reinsurance Premiums Ceded USD (000)*	100,659	93,781	34,020	22,511	23,371	9,865	...	...
% Change	7.3	21.4	51.1	-3.7	136.9	...	...	...
Net Premiums Written USD (000)	86,865	84,117	167,902	148,937	127,890	118,736	112,632	...
% Change	3.3	16.6	12.7	16.5	7.7	5.4	9.3	10.2

Source: BestLink® - Best's Financial Suite
*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

2025 By Line Business	Direct Premiums Written		Reinsurance Premiums Assumed		Reinsurance Premiums Ceded		Net Premiums Written		Business Retention
	USD (000)	%	USD (000)	%	USD (000)	%	USD (000)	%	%
Homeowners	162,792	80.6	...	...	80,699	237.2	82,093	48.9	50.4
Comm M.P.	26,869	13.3	3,613	999.9	...	...	30,482	18.2	100.0
Other Liab Occurrence	7,717	3.8	...	...	188	0.6	7,528	4.5	97.6
Inland Marine Total	4,268	2.1	...	...	2,518	7.4	1,751	1.0	41.0
Other Liab Claims made	216	0.1	...	...	216	0.6	...	...	...
Top 5	201,861	100.0	3,613	999.9	83,620	245.8	121,855	72.6	59.3
All Other	40	...	-3,592	-99.9	-49,600	-99.9	46,048	27.4	-99.9
Total	201,902	100.0	21	100.0	34,020	100.0	167,902	100.0	83.2

Source: BestLink® - Best's Financial Suite

Historical Market Presence

By Line Breakdown - NPW USD (000)	Year End - December 31				
	2025	2024	2023	2022	2021
Homeowners	82,093	71,329	61,796	55,546	50,806
Comm M.P.	30,482	27,932	23,833	21,002	18,394
Rein-NPA Prop	23,872	21,617	16,861	18,576	20,826
Fire	11,035	10,022	9,480	8,713	8,319
Allied Lines	10,409	8,522	6,910	6,339	5,897
Other Liab	7,528	7,061	6,714	6,311	6,137
Inland Marine-T	1,751	1,735	1,700	1,705	1,710
Auto Phys Dmg	388	386	312	279	277
PP Auto Liab	343	334	284	265	267
Total	167,902	148,937	127,890	118,736	112,632

Source: BestLink® - Best's Financial Suite

By Geographic Breakdown - DPW USD (000)	Year End - December 31				
	2025	2024	2023	2022	2021
Massachusetts	153,190	128,534	112,757	94,579	79,712
New Jersey	30,701	26,056	24,314	21,510	19,408
New York	18,011	16,841	14,191	12,510	11,052
Total	201,902	171,430	151,261	128,600	110,172
Geographic Concentration Index	0.61	...	...	...	...

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Historical Market Presence (Continued...)

	Year End - December 31		
	2025	2024	2023
By Line Reserves USD (000)			
Rein-NPA Prop	26,323	26,425	28,575
Comm M.P.	25,828	22,322	17,375
Homeowners	22,574	18,633	24,699
Other Liab	12,966	12,212	9,482
Fire	3,894	3,224	3,606
Allied Lines	1,452	1,052	2,467
PP Auto Liab	284	303	251
Inland Marine-T	91	70	121
Auto Phys Dmg	22	27	19
Total	93,434	84,268	86,595

Source: BestLink® - Best's Financial Suite

Last Update
October 22, 2026

Identifiers
AMB #: 002054
NAIC #: 19771
FEIN #: 04-1144900
LEI #: 2549000C9GBX9A5SPK63

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Financial Data Presented

The financial data in this report reflects the most current data available at the time the report was printed.

Filing Date History

August 14, 2026 (6-Month)
May 14, 2026 (3-Month)
March 27, 2026 (April Annual)
February 25, 2026 (March Annual)
November 07, 2025 (9-Month)

Cambridge Insurance Company

Operations

Date Incorporated: March 14, 1833 | **Date Commenced:** January 01, 1834

Domiciled: Massachusetts, United States

Licensed: (Current since 05/30/2019). The company is licensed in CT, IL, ME, MA, NH, NJ, NY, RI and VT.

Business Type:	Property/Casualty
Organization Type:	Stock
Marketing Type:	Independent Agency
Best's Financial Size Category:	XV (Greater than or Equal to USD 2.00 Billion)

Best's Credit Ratings

Rating Relationship

AM Best Rating Unit: **000166 - Andover Companies Pool**

Best's Credit Rating Effective Date: October 22, 2026

Cambridge Insurance Company is a member of Andover Companies Pool (AMB# 000166) rating unit and the rating reflects the pooling arrangement with other members of the rating unit. Refer to the Best's Credit Report for AMB# 000166 - Andover Companies Pool for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 1923. In our opinion, the company has an Excellent ability to meet their ongoing insurance obligations and an Excellent ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to Rating History in BestLink:

	Best's Financial Strength Ratings				Best's Long-Term Issuer Credit Ratings		
Effective Date	**Rating**	**Affiliation**	**Outlook**	**Action**	**Rating**	**Outlook**	**Action**
Current - Oct 22, 2026	**A**	**p (Pooled Rating)**	**Stable**	**Affirmed**	**a+**	**Stable**	**Affirmed**
Sep 25, 2025	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Aug 28, 2024	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Jul 19, 2023	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Jun 27, 2022	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed

Corporate Structure

Ultimate Parent: AMB # 049623 - The Andover Companies, Inc.

Based on AM Best's analysis, AMB# 049623 The Andover Companies, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current Corporate Structure.

Management

Under the same management are Bay State Insurance Company (organized in 1955) and Merrimack Mutual Fire Insurance Company, Andover, Massachusetts, established in 1828.

Officers

President and CEO: Charles J. DiGrande
EVP: Paul R. Nadeau (Underwriting)
SVP: Stephen E. Randall (Claims)
Vice President, Secretary and General Counsel: Kevin J. Ouellette
Vice President and Treasurer: Amy L. DiPerna
Vice President: Justin H. Libbey (Marketing)
Vice President: Kevin A. McNamara (Information Technology)

Directors

John Appleton
Malcolm W. Brawn
David F. Dietz
Charles J. DiGrande
Thomas J. Hollister
Paul J. Jacques
Amy A. Latimer
Paul R. Nadeau
Karyn E. Polito
David A. Splaine

History

This company was incorporated March 14, 1833 under the laws of Massachusetts and began business January 1, 1834. The company absorbed by merger, on January 1, 1971, Traders and Mechanics Insurance Company (Mutual), Lowell, Massachusetts.

Corporate Changes

Date	Event Type	Company Name	Current Company Name	Corporate Changes Text
01/01/2026	Ownership	Cambridge Insurance Company		The Andover Companies reorganized into a mutual holding company structure, effective January 1, 2026. Under the reorganization, Merrimack and Cambridge have become direct, wholly-owned subsidiaries of a newly formed intermediate holding company, Merrimack Insurance Intermediate Holding Company, and indirect, wholly-owned subsidiaries of a newly formed mutual holding company, The Andover Companies, Inc.
01/01/2026	Name Change	Cambridge Mutual Fire Insurance Company	Cambridge Insurance Company	The Andover Companies reorganized into a mutual holding company structure, effective January 1, 2026. Under the reorganization, Merrimack Mutual was converted into a stock insurance company and re-named Merrimack Insurance Company, and Cambridge Mutual was converted into a stock insurance company and re-named Cambridge Insurance Company.

Search for this company in Corporate Changes in BestLink to review previous changes.

Regulatory

Auditor: PricewaterhouseCoopers, LLP
Actuary: Christine K. Kogut, FCAS, MAAA

An examination of the financial condition is being made as of December 31, 2024, by the insurance department of Massachusetts. The 2025 annual independent audit of the company was conducted by PricewaterhouseCoopers, LLP. The annual statement of actuarial opinion is provided by Christine K. Kogut, FCAS, MAAA, PricewaterhouseCoopers, LLP.

Professional Service Providers

Investment Managers, Advisors, Brokers/Dealers:

- Wellington Management Company, LLP (Unaffiliated Firm)
- Amy L DiPerna (Internal Employee)

State Rate Filings

Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to Best's State Rate Filings - 002054 - Cambridge Insurance Company

Major Line	2026	2025	2024	2023	2022
Commercial General Liability	...	5	2	3	2
Commercial Interline	1	1	3	...	1
Commercial Multi-Peril	2	11	23	6	9
Fire And Allied Lines (Personal Property)	3	11	10	7	6
Homeowners Multi-Peril	10	21	33	19	16
Personal General Liability	2	5	2	1	1
Personal Interline	10	3	4	...	4
Total	28	57	77	36	39

Source: Best's State Rate Filings

Financial Statements

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File – P/C, US.

Currency: US Dollars

	6-Months		Year End - December 31			
	2026		2025		2024	
Balance Sheet	**USD (000)**	**%**	**USD (000)**	**%**	**USD (000)**	**%**
Cash and Short Term Investments	109,899	6.5	109,506	6.7	159,934	10.9
Bonds	306,134	18.0	300,125	18.4	251,681	17.2
Preferred and Common Stock	1,071,956	63.1	1,039,838	63.6	881,469	60.2
Other Invested Assets	30,788	1.8	31,580	1.9	33,421	2.3
Total Cash and Invested Assets	1,518,776	89.3	1,481,048	90.6	1,326,504	90.6
Premium Balances	150,811	8.9	127,830	7.8	114,873	7.8
Other Assets	30,269	1.8	26,356	1.6	23,192	1.6
Total Assets	1,699,856	100.0	1,635,234	100.0	1,464,568	100.0
Loss and Loss Adjustment Expense Reserves:						
Net Reported Loss Reserves*	165,413	9.7	132,539	8.1	118,094	8.1
Net IBNR Loss Reserves*	69,099	4.1	62,207	3.8	56,015	3.8
Net LAE Reserves	...	...	23,266	1.4	22,516	1.5
Total Net Loss and LAE Reserves	234,512	13.8	218,012	13.3	196,624	13.4
Net Unearned Premiums	213,318	12.5	199,858	12.2	180,340	12.3
Other Liabilities	238,519	14.0	227,114	13.9	197,603	13.5
Total Liabilities	686,349	40.4	644,984	39.4	574,568	39.2
Capital Stock	5,000	0.3	...	...	...	...
Unassigned Surplus	1,008,007	59.3	989,750	60.5	889,501	60.7
Other Surplus	500	...	500	...	500	...
Total Policyholders' Surplus	1,013,507	59.6	990,250	60.6	890,001	60.8
Total Liabilities and Surplus	1,699,856	100.0	1,635,234	100.0	1,464,568	100.0

Source: BestLink® - Best's Financial Suite
* Interim reserves balances include LAE.

	6-Months		Year End - December 31	
Income Statement USD (000)	**2026**	**2025**	**2025**	**2024**
Net Premiums Earned	189,225	174,307	372,254	323,128
Net Losses and LAE Incurred:				
Current Accident Year	115,779	98,362	167,540	155,605
Prior Accident Years	859	11,916	22,861	5,823
Underwriting Expenses Incurred	79,676	72,497	156,544	144,093
Net Underwriting Income	-7,089	-8,467	25,309	17,607
Net Investment Income	23,159	21,299	43,311	41,334
Other Income (Expense)	458	541	1,452	1,352
Pre-Tax Operating Income	16,528	13,373	70,072	60,292
Income Taxes Incurred	2,351	2,319	13,696	13,057
Net Operating Income	14,177	11,055	56,376	47,236
Net Realized Capital Gains (Losses)	72	-3,336	-3,194	-7,776
Net Income	14,249	7,719	53,182	39,460

Source: BestLink® - Best's Financial Suite

AMB #: 002054 - Cambridge Insurance Company

Statement of Operating Cash Flows USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	Year End - December 31 2024
Net Premiums Collected	186,609	172,278	381,303	440,019
Net Losses Paid	92,360	83,986	151,410	245,585
Expenses Paid	98,596	78,045	165,107	137,927
Net Underwriting Cash Flow	-4,347	10,248	64,787	56,506
Net Investment Income	22,433	20,848	40,111	39,306
Other Income (Expense)	529	469	1,379	1,856
Income Taxes Paid (Recovered)	2,212	1,400	12,650	12,535
Net Operating Cash Flow	16,403	30,164	93,627	85,134

Source: BestLink® - Best's Financial Suite

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – P/C, US. Access Quantitative Analytical Report (QAR) Annual and Quarterly for additional details.

Currency: US Dollars

Key Financial Indicators

Key Financial Indicators USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Premiums Written:							
Direct	104,371	97,391	210,500	195,060	192,624	176,548	161,731
Assumed*	202,701	196,331	181,295	152,984	105,786	100,501	101,078
Ceded*	104,388	97,449	22	523	...	...	...
Net	202,685	196,273	391,772	347,521	298,410	277,050	262,809
Net Operating Income	14,177	11,055	56,376	47,236	13,317	7,734	2,095
Net Income	14,249	7,719	53,182	39,460	7,500	3,216	1,662
Total Admitted Assets	1,699,856	1,563,148	1,635,234	1,464,568	1,434,501	1,360,263	1,361,736
Policyholders' Surplus	1,013,507	927,332	990,250	890,001	800,348	763,221	783,134

Source: BestLink® - Best's Financial Suite
*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

Key Financial Ratios (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021	Weighted Average
Profitability:								
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Combined Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	3.1	3.1	3.1	3.3	3.1	2.7	2.4	2.9
Pre-Tax Operating Return on Net Earned Premiums	8.7	7.7	18.8	18.7	5.6	3.4	1.3	10.6
Net Income Return on Policyholders' Surplus	2.8	1.7	5.7	4.7	1.0	0.4	0.2	2.6
Total Return on Policyholders' Surplus	5.4	8.4	11.1	10.6	4.9	-4.5	17.8	8.0
Leverage:								
Net	1.1	1.1	1.0	1.0	1.2	1.1	1.1	...
Gross	...	...	1.0	1.0	1.2	1.1	1.1	...
Non-affiliated Investment	102.6	108.3	100.7	99.5	104.7	103.8	105.3	...

Source: BestLink® - Best's Financial Suite

AMB #: 002054 - Cambridge Insurance Company

Balance Sheet Highlights

Capital Generation Analysis USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Beginning Policyholders' Surplus	990,250	890,001	890,001	800,348	763,221	783,134	638,924
Net Operating Income	14,177	11,055	56,376	47,236	13,317	7,734	2,095
Net Realized Capital Gains (Losses)	72	-3,336	-3,194	-7,776	-5,817	-4,518	-433
Net Unrealized Capital Gains (Losses)	12,765	30,476	51,321	50,508	30,424	-37,913	124,820
Stockholder Dividends	-250	...	...	...	...	...	...
Other Changes in Capital and Surplus	-3,507	-863	-4,254	-315	-797	14,785	17,728
Net Change in Policyholders' Surplus	23,256	37,331	100,250	89,653	37,127	-19,913	144,210
Ending Policyholders' Surplus	1,013,507	927,332	990,250	890,001	800,348	763,221	783,134
Net Change in Policyholders' Surplus (%)	2.3	4.2	11.3	11.2	4.9	-2.5	22.6
Net Change in Policyholders' Surplus (5 yr CAGR)	...	...	9.2	...	...	...	...

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Net Operating Cash Flow USD (000)	16,403	30,164	93,627	85,134	29,731	32,954	50,879
Current Liquidity (%)	212.3	206.2	218.4	226.1	185.0	184.5	192.7

Source: BestLink® - Best's Financial Suite

Ceded Reinsurance Analysis	Year End - December 31 2025	2024	2023	2022	2021
Cambridge Insurance Company					
Ceded Reinsurance USD (000)	29	534	...	...	...
Business Retention (%)	100.0	99.8	100.0	100.0	100.0
Ceded Reinsurance to PHS (%)	...	0.1	...	...	...
Personal Property Composite					
Business Retention (%)	47.2	47.1	49.2	50.9	50.9
Reinsurance Recoverables to PHS (%)	20.7	30.1	24.6	32.3	20.1
Ceded Reinsurance to PHS (%)	55.0	66.4	56.6	60.8	46.1

Source: BestLink® - Best's Financial Suite

2025 Reinsurance Recoverables USD (000)	Paid & Unpaid Losses	Incurred but not reported (IBNR) losses	Unearned premiums	Other Recoverables	Total Reinsurance Recoverables
US Affiliates	73,016	16,216	110,894	8,911	209,037
Pools/Associations	...	...	7	...	7
Total (excluding US Affiliates)	...	...	7	...	7
Grand Total	73,016	16,216	110,900	8,911	209,044

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Composition of Cash and Invested Assets							
Total Cash and Invested Assets USD (000)	1,518,776	1,391,149	1,481,048	1,326,504	1,198,555	1,129,387	1,146,309
Composition Percentages (%)							
Unaffiliated:							
Cash and Short Term Investments	7.2	7.4	7.4	12.1	7.5	9.9	15.0
Bonds	20.2	18.4	20.3	19.0	20.1	17.1	10.0
Stocks	68.2	68.1	67.1	66.5	69.9	70.2	71.9
Other Invested Assets	0.2	4.1	0.3	0.4	...	...	...
Total Unaffiliated	95.9	98.0	95.0	97.9	97.5	97.2	97.0
Investments in Affiliates	4.1	2.0	5.0	2.2	2.5	2.8	3.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Composition of Bond Quality (%)							
Investment Grades							
Class 1 (Highest Quality)	84.2	79.7	83.0	78.8	85.6	88.0	99.1
Class 2 (High Quality)	15.8	20.3	17.0	21.2	14.2	11.9	0.9
Total Investment Grade	100.0	100.0	100.0	100.0	99.9	99.9	100.0
Non-Investment Grades							
Class 3 (Medium Quality)	...	...	...	...	0.1	0.1	...
Total Non-Investment Grade	...	...	...	...	0.1	0.1	...

Source: BestLink® - Best's Financial Suite

	Years					
Bonds and Short Term Investments	0-1	1-5	5-10	10-20	20+	Average (Years)
Distribution by Maturity (%)						
Total Publicly Traded Bonds	6.2	31.1	32.9	9.8	2.9	5.6
Total Privately Placed Bonds	1.8	9.6	4.4	1.0	0.2	0.8
Total Bonds	8.0	40.7	37.3	10.9	3.1	6.5

Source: BestLink® - Best's Financial Suite

	Year End - December 31
	2025
Bonds by Issuer (%)	
U.S. Govt & Municipalities - Issuer Credit Obligations	14.7
All other Issuer Credit Obligations - U.S. - Unaffiliated	32.8
All other Issuer Credit Obligations - Foreign - Unaffiliated	5.7
Asset-Backed Securities - U.S. - Unaffiliated	44.1
Asset-Backed Securities - Foreign - Unaffiliated	2.7

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments (Continued...)

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Stock Portfolio							
Stocks USD(000)	1,071,956	947,699	1,039,838	881,469	837,544	792,274	824,599
By Type (%)							
Unaffiliated Common	...	...	95.6	100.0	100.0	100.0	100.0
Affiliated Common	...	...	4.4	...	...	...	...

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

Loss and Loss Adjustment Expense Reserve Development

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Calendar Year:							
Loss and ALAE* Reserves USD (000)	234,512	215,598	211,373	213,035	200,982	212,450	191,246
Loss and ALAE* Reserves Development USD (000)	859	11,916	...	23,621	9,699	14,517	11,460
Development to:							
Original Reserves (%)	...	...	...	12.5	5.1	7.3	6.4
Prior Year End Reserves(%)	0.4	6.1	...	...	...	...	...
Prior Year End Surplus (%)	0.1	1.3	...	2.7	1.2	1.9	1.5

Source: BestLink® - Best's Financial Suite

* Interim LAE reserves balances displayed include Adjusting and Other Unpaid as well as Defense and Cost Containment Unpaid. Year End LAE balances include Defense and Cost Containment Unpaid only.

	Year End - December 31				
	2025	2024	2023	2022	2021
Accident Year:					
Original Loss and ALAE Reserves USD (000)	79,895	71,517	75,030	88,665	88,001
Loss and ALAE Reserves Developed thru Latest Year End USD (000)	79,895	94,993	75,493	94,802	92,708
Development to Original Reserves (%)	...	32.8	0.6	6.9	5.3
Accident Year Loss and LAE Ratio (%)	45.0	55.1	63.0	68.3	69.5
Accident Year Combined Ratio (%)	85.0	96.6	103.4	107.2	109.9

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

Operating and Financial Performance Ratios (%)	6-Months		Year End - December 31					Weighted Average
	2026	2025	2025	2024	2023	2022	2021	
Cambridge Insurance Company								
Calendar Year Loss and LAE Ratio	61.6	63.3	51.1	50.0	65.0	67.3	67.0	59.0
Expense and Policyholder Dividend Ratio	39.3	36.9	40.0	41.5	40.3	38.9	40.4	40.2
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	3.1	3.1	3.1	3.3	3.1	2.7	2.4	2.9
Pre-Tax Operating Return on Net Earned Premiums	8.7	7.7	18.8	18.7	5.6	3.4	1.3	10.6
Net Income Return on Policyholders' Surplus	2.8	1.7	5.7	4.7	1.0	0.4	0.2	2.6
Total Return on Policyholders' Surplus	5.4	8.4	11.1	10.6	4.9	-4.5	17.8	8.0

Source: BestLink® - Best's Financial Suite

AMB #: 002054 - Cambridge Insurance Company

Operating Performance Highlights

Operating and Financial Performance Ratios (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021	Weighted Average
Personal Property Composite								
Calendar Year Loss and LAE Ratio	64.3	74.6	63.7	79.9	80.1	78.4	73.7	74.7
Expense and Policyholder Dividend Ratio	28.7	28.6	27.0	26.1	26.6	26.9	29.0	27.0
Combined Ratio	93.0	103.2	90.7	106.0	106.7	105.2	102.7	101.7
Reserve Development Ratio Impact	-3.1	0.3	-0.1	1.7	1.8	-0.2	0.2	0.7
Net Investment Yield	3.2	3.1	3.2	3.1	3.3	2.2	2.1	2.8
Pre-Tax Operating Return on Net Earned Premiums	14.8	4.4	16.0	...	-0.4	-1.2	1.7	3.9
Net Income Return on Policyholders' Surplus	10.5	4.5	12.8	0.2	-0.9	-1.3	1.5	2.7
Total Return on Policyholders' Surplus	15.3	7.5	16.3	2.8	1.2	-4.2	5.8	4.7

Source: BestLink® - Best's Financial Suite

By Line - Net Loss Ratio (%)	Year End - December 31 2025	2024	2023	2022	2021
Homeowners	41.7	43.2	65.6	59.6	55.3
Comm M.P.	46.8	49.1	61.5	63.1	50.0
Rein-NPA Prop	57.4	29.3	27.5	70.4	95.1
Fire	49.0	43.5	48.0	47.1	42.0
Allied Lines	40.4	32.2	86.1	56.4	59.3
Other Liab	52.5	80.3	56.6	43.6	34.1
Inland Marine-T	21.0	17.2	20.3	23.6	20.0
Auto Phys Dmg	53.6	70.9	74.0	63.0	51.6
PP Auto Liab	71.4	85.8	66.9	60.7	48.6
All Other	...	...	...	...	200.0
Total	45.8	43.3	58.4	59.6	59.6

Source: BestLink® - Best's Financial Suite

Geographic - Direct Loss Ratio (%)	Year End - December 31 2025	2024	2023	2022	2021
Massachusetts	34.2	29.1	52.0	32.0	36.5
Illinois	28.4	31.5	54.4	83.2	46.4
New Hampshire	32.2	36.4	62.2	47.7	66.2
New Jersey	37.0	63.9	76.2	55.3	66.0
New York	58.4	50.3	39.8	67.8	33.9
Connecticut	74.2	73.3	52.8	22.8	40.6
Rhode Island	-99.9	65.3	79.5	65.1	51.4
All Other	24.8	38.5	50.3	65.5	41.1
Total	36.3	41.3	54.7	57.1	46.2

Source: BestLink® - Best's Financial Suite

AMB #: 002054 - Cambridge Insurance Company

Business Profile Highlights

Premium Composition and Growth	6-Months		Year End - December 31					
	2026	2025	2025	2024	2023	2022	2021	5 Year CAGR
Direct Premiums Written USD (000)	104,371	97,391	210,500	195,060	192,624	176,548	161,731	...
% Change	7.2	5.8	7.9	1.3	9.1	9.2	12.7	8.0
Reinsurance Premiums Assumed USD (000)*	202,701	196,331	181,295	152,984	105,786	100,501	101,078	...
% Change	3.2	16.6	18.5	44.6	5.3	-0.6	4.1	13.3
Reinsurance Premiums Ceded USD (000)*	104,388	97,449	22	523	...	...	...	...
% Change	7.1	5.8	-95.7	...	...	...	...	...
Net Premiums Written USD (000)	202,685	196,273	391,772	347,521	298,410	277,050	262,809	...
% Change	3.3	16.6	12.7	16.5	7.7	5.4	9.3	10.2

Source: BestLink® - Best's Financial Suite
*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

2025 By Line Business	Direct Premiums Written		Reinsurance Premiums Assumed		Reinsurance Premiums Ceded		Net Premiums Written		Business Retention
	USD (000)	%	USD (000)	%	USD (000)	%	USD (000)	%	%
Homeowners	145,537	69.1	46,020	25.4	5	22.3	191,551	48.9	100.0
Comm M.P.	47,353	22.5	23,773	13.1	...	...	71,125	18.2	100.0
Other Liab Occurrence	7,192	3.4	10,375	5.7	...	1.7	17,566	4.5	100.0
Allied Lines	3,639	1.7	20,660	11.4	10	44.4	24,288	6.2	100.0
Fire	3,409	1.6	22,347	12.3	7	31.7	25,749	6.6	100.0
Top 5	207,129	98.4	123,174	67.9	22	100.0	330,281	84.3	100.0
All Other	3,371	1.6	58,121	32.1	...	...	61,492	15.7	100.0
Total	210,500	100.0	181,295	100.0	22	100.0	391,772	100.0	100.0

Source: BestLink® - Best's Financial Suite

Historical Market Presence

By Line Breakdown - NPW USD (000)	Year End - December 31				
	2025	2024	2023	2022	2021
Homeowners	191,551	166,434	144,190	129,607	118,546
Comm M.P.	71,125	65,174	55,611	49,004	42,920
Rein-NPA Prop	55,701	50,440	39,341	43,344	48,594
Fire	25,749	23,385	22,119	20,330	19,410
Allied Lines	24,288	19,884	16,124	14,790	13,759
Other Liab	17,566	16,475	15,666	14,726	14,320
Inland Marine-T	4,085	4,049	3,967	3,979	3,990
Auto Phys Dmg	905	901	728	652	646
PP Auto Liab	801	780	664	618	623
Total	391,772	347,521	298,410	277,050	262,809

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Historical Market Presence (Continued...)

By Geographic Breakdown - DPW USD (000)	Year End - December 31 2025	2024	2023	2022	2021
Massachusetts	58,792	48,806	41,111	34,990	28,702
Illinois	57,337	49,410	39,419	34,560	31,098
New Hampshire	35,748	31,984	24,706	20,911	17,927
New Jersey	26,913	25,747	24,234	23,761	21,045
New York	24,375	24,076	33,588	32,987	31,207
Connecticut	7,367	7,822	10,172	10,481	10,521
Rhode Island	5	274	1,307	1,553	5,032
All Other	-37	6,943	18,088	17,306	16,200
Total	210,500	195,060	192,624	176,548	161,731
Geographic Concentration Index	0.21	...	...	...	...

Source: BestLink® - Best's Financial Suite

By Line Reserves USD (000)	Year End - December 31 2025	2024	2023
Rein-NPA Prop	61,419	61,657	66,675
Comm M.P.	60,265	52,085	40,541
Homeowners	52,674	43,477	57,630
Other Liab	30,255	28,495	22,124
Fire	9,085	7,522	8,414
Allied Lines	3,388	2,455	5,756
PP Auto Liab	662	706	587
Inland Marine-T	211	164	283
Auto Phys Dmg	52	62	44
Total	218,012	196,624	202,054

Source: BestLink® - Best's Financial Suite

Last Update
October 22, 2026

Identifiers
AMB #: 002055
NAIC #: 19798
FEIN #: 04-1614490
LEI #: 254900XHP4C2KRA65811

Contact Information
Administrative Office:
95 Old River Road, Andover,
Massachusetts 01810-1078
United States

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Phone: +1-978-475-3300
Fax: +1-800-323-5112

Financial Data Presented

The financial data in this report reflects the most current data available at the time the report was printed.

Filing Date History

August 14, 2026 (6-Month)
May 14, 2026 (3-Month)
March 27, 2026 (April Annual)
February 25, 2026 (March Annual)
November 07, 2025 (9-Month)

Merrimack Insurance Company

Operations

Date Incorporated: February 11, 1828 **| Date Commenced:** April 08, 1828

Domiciled: Massachusetts, United States

Licensed: (Current since 05/30/2019). The company is licensed in CT, IL, ME, MA, NH, NJ, NY, RI and VT.

Business Type:	Property/Casualty
Organization Type:	Stock
Marketing Type:	Independent Agency
Best's Financial Size Category:	XV (Greater than or Equal to USD 2.00 Billion)

Best's Credit Ratings

Rating Relationship

AM Best Rating Unit: **000166 - Andover Companies Pool**

Best's Credit Rating Effective Date: October 22, 2026

Merrimack Insurance Company is a member of Andover Companies Pool (AMB# 000166) rating unit and the rating reflects the pooling arrangement with other members of the rating unit. Refer to the Best's Credit Report for AMB# 000166 - Andover Companies Pool for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 1920. In our opinion, the company has an Excellent ability to meet their ongoing insurance obligations and an Excellent ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to Rating History in BestLink:

	Best's Financial Strength Ratings				Best's Long-Term Issuer Credit Ratings		
Effective Date	**Rating**	**Affiliation**	**Outlook**	**Action**	**Rating**	**Outlook**	**Action**
Current - Oct 22, 2026	**A**	**p (Pooled Rating)**	**Stable**	**Affirmed**	**a+**	**Stable**	**Affirmed**
Sep 25, 2025	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Aug 28, 2024	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Jul 19, 2023	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed
Jun 27, 2022	A	p (Pooled Rating)	Stable	Affirmed	a+	Stable	Affirmed

Corporate Structure

Ultimate Parent: AMB # 049623 - The Andover Companies, Inc.

Based on AM Best's analysis, AMB# 049623 The Andover Companies, Inc. is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current Corporate Structure.

Management

This company is the lead company of the Andover Group. Under the same management are the Bay State Insurance Company (organized in 1955) and the Cambridge Mutual Fire Insurance Company, Andover, Massachusetts (established in 1833).

Officers

President and CEO: Charles J. DiGrande
EVP: Paul R. Nadeau (Underwriting)
SVP: Stephen E. Randall (Claims)
Vice President, Secretary and General Counsel: Kevin J. Ouellette
Vice President and Treasurer: Amy L. DiPerna
Vice President: Justin H. Libbey (Marketing)
Vice President: Kevin A. McNamara (Information Technology)

Directors

John Appleton
Malcolm W. Brawn
David F. Dietz
Charles J. DiGrande
Thomas J. Hollister
Paul J. Jacques
Amy A. Latimer
Paul R. Nadeau
Karyn E. Polito
David A. Splaine

History

This company, incorporated on February 11, 1828 under the laws of Massachusetts, commenced business on April 8 of the same year. The Bay State Mutual Fire Insurance Company and the Lynn Manufacturers and Merchants Insurance Company were absorbed in May 1932 and in September 1933, respectively.

Corporate Changes

Date	Event Type	Company Name	Current Company Name	Corporate Changes Text
01/01/2026	Ownership	Merrimack Insurance Company		The Andover Companies reorganized into a mutual holding company structure, effective January 1, 2026. Under the reorganization, Merrimack and Cambridge have become direct, wholly-owned subsidiaries of a newly formed intermediate holding company, Merrimack Insurance Intermediate Holding Company, and indirect, wholly-owned subsidiaries of a newly formed mutual holding company, The Andover Companies, Inc.
01/01/2026	Name Change	Merrimack Mutual Fire Insurance Company	Merrimack Insurance Company	The Andover Companies reorganized into a mutual holding company structure, effective January 1, 2026. Under the reorganization, Merrimack Mutual was converted into a stock insurance company and re-named Merrimack Insurance Company, and Cambridge Mutual was converted into a stock insurance company and re-named Cambridge Insurance Company.

Search for this company in Corporate Changes in BestLink to review previous changes.

Regulatory

Auditor: PricewaterhouseCoopers, LLP
Actuary: Christine K. Kogut, FCAS, MAAA

An examination of the financial condition is being made as of December 31, 2024, by the insurance department of Massachusetts. The 2025 annual independent audit of the company was conducted by PricewaterhouseCoopers, LLP. The annual statement of actuarial opinion is provided by Christine K. Kogut, FCAS, MAAA, PricewaterhouseCoopers, LLP.

Professional Service Providers

Investment Managers, Advisors, Brokers/Dealers:

- Wellington Management Company, LLP (Unaffiliated Firm)
- Amy L DiPerna (Internal Employee)

State Rate Filings

Summary of Approved Filings

The table below shows the number of approved filings in the last five years. For more information, please refer to Best's State Rate Filings - 002055 - Merrimack Insurance Company

Major Line	2026	2025	2024	2023	2022
Commercial General Liability	...	7	4	4	2
Commercial Interline	1	1	3	...	1
Commercial Multi-Peril	5	17	28	7	9
Fire And Allied Lines (Personal Property)	10	16	18	11	7
Homeowners Multi-Peril	11	25	34	21	15
Personal General Liability	2	5	2	1	1
Personal Interline	10	3	4	...	4
Total	39	74	93	44	39

Source: Best's State Rate Filings

Financial Statements

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File – P/C, US.

Currency: US Dollars

	6-Months		Year End - December 31			
	2026		2025		2024	
Balance Sheet	**USD (000)**	**%**	**USD (000)**	**%**	**USD (000)**	**%**
Cash and Short Term Investments	169,999	5.4	170,948	5.7	251,874	9.5
Bonds	344,049	10.9	333,361	11.0	269,480	10.2
Preferred and Common Stock	2,201,132	69.9	2,124,102	70.2	1,768,391	66.6
Other Invested Assets	179,728	5.7	179,355	5.9	176,678	6.7
Total Cash and Invested Assets	2,894,908	92.0	2,807,767	92.8	2,466,423	92.9
Premium Balances	186,842	5.9	161,016	5.3	146,132	5.5
Other Assets	65,272	2.1	56,753	1.9	41,644	1.6
Total Assets	3,147,021	100.0	3,025,536	100.0	2,654,199	100.0
Loss and Loss Adjustment Expense Reserves:						
Net Reported Loss Reserves*	236,306	7.5	189,341	6.3	168,705	6.4
Net IBNR Loss Reserves*	98,711	3.1	88,867	2.9	80,021	3.0
Net LAE Reserves	...	...	33,238	1.1	32,166	1.2
Total Net Loss and LAE Reserves	335,017	10.6	311,446	10.3	280,892	10.6
Net Unearned Premiums	304,740	9.7	285,512	9.4	257,628	9.7
Other Liabilities	362,220	11.5	340,541	11.3	302,357	11.4
Total Liabilities	1,001,977	31.8	937,498	31.0	840,877	31.7
Capital Stock	5,000	0.2	...	...	...	...
Unassigned Surplus	2,139,545	68.0	2,087,538	69.0	1,812,822	68.3
Other Surplus	500	...	500	...	500	...
Total Policyholders' Surplus	2,145,045	68.2	2,088,038	69.0	1,813,322	68.3
Total Liabilities and Surplus	3,147,021	100.0	3,025,536	100.0	2,654,199	100.0

Source: BestLink® - Best's Financial Suite
* Interim reserves balances include LAE.

	6-Months		Year End - December 31	
Income Statement USD (000)	**2026**	**2025**	**2025**	**2024**
Net Premiums Earned	270,321	249,010	531,792	461,612
Net Losses and LAE Incurred:				
Current Accident Year	165,399	140,517	239,343	222,293
Prior Accident Years	1,227	17,023	32,659	8,318
Underwriting Expenses Incurred	113,823	103,567	223,634	205,848
Net Underwriting Income	-10,128	-12,096	36,156	25,153
Net Investment Income	27,494	25,483	51,410	48,696
Other Income (Expense)	655	773	2,074	1,931
Pre-Tax Operating Income	18,021	14,160	89,640	75,780
Income Taxes Incurred	2,390	2,446	17,698	16,599
Net Operating Income	15,631	11,714	71,942	59,181
Net Realized Capital Gains (Losses)	34	15,773	15,832	-1,602
Net Income	15,665	27,487	87,774	57,579

Source: BestLink® - Best's Financial Suite

AMB #: 002055 - Merrimack Insurance Company

Statement of Operating Cash Flows USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	Year End - December 31 2024
Net Premiums Collected	285,359	287,954	553,021	627,677
Net Losses Paid	131,106	133,902	220,274	331,292
Expenses Paid	139,658	124,796	237,869	205,922
Net Underwriting Cash Flow	14,596	29,256	94,878	90,463
Net Investment Income	26,004	24,450	49,781	47,437
Other Income (Expense)	756	669	1,970	2,652
Income Taxes Paid (Recovered)	2,908	3,485	21,775	12,167
Net Operating Cash Flow	38,448	50,891	124,854	128,385

Source: BestLink® - Best's Financial Suite

Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – P/C, US. Access Quantitative Analytical Report (QAR) Annual and Quarterly for additional details.

Currency: US Dollars

Key Financial Indicators

Key Financial Indicators USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Premiums Written:							
Direct	309,915	300,204	637,908	578,252	482,952	430,946	391,486
Assumed*	314,205	309,458	167,222	150,396	117,850	128,735	143,694
Ceded*	334,570	329,271	245,455	232,190	174,502	163,896	159,739
Net	289,550	280,391	559,675	496,458	426,300	395,785	375,441
Net Operating Income	15,631	11,714	71,942	59,181	11,139	6,450	-2,520
Net Income	15,665	27,487	87,774	57,579	8,036	2,827	-10,646
Total Admitted Assets	3,147,021	2,899,151	3,025,536	2,654,199	2,452,218	2,296,505	2,318,577
Policyholders' Surplus	2,145,045	1,950,999	2,088,038	1,813,322	1,548,149	1,430,636	1,491,857

Source: BestLink® - Best's Financial Suite
*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

Key Financial Ratios (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021	Weighted Average
Profitability:								
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Combined Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	1.9	2.0	1.9	2.1	2.1	1.9	1.6	1.9
Pre-Tax Operating Return on Net Earned Premiums	6.7	5.7	16.9	16.4	3.3	1.9	-0.5	8.6
Net Income Return on Policyholders' Surplus	1.5	2.9	4.5	3.4	0.5	0.2	-0.8	1.8
Total Return on Policyholders' Surplus	5.9	14.7	14.5	16.2	8.0	-5.6	19.9	10.8
Leverage:								
Net	0.7	0.8	0.7	0.7	0.9	0.9	0.8	...
Gross	...	...	0.8	0.8	0.9	1.0	0.9	...
Non-affiliated Investment	63.7	68.2	62.9	62.9	66.8	69.9	68.8	...

Source: BestLink® - Best's Financial Suite

AMB #: 002055 - Merrimack Insurance Company

Balance Sheet Highlights

Capital Generation Analysis USD (000)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Beginning Policyholders' Surplus	2,088,038	1,813,322	1,813,322	1,548,149	1,430,636	1,491,857	1,197,877
Net Operating Income	15,631	11,714	71,942	59,181	11,139	6,450	-2,520
Net Realized Capital Gains (Losses)	34	15,773	15,832	-1,602	-3,103	-3,623	-8,126
Net Unrealized Capital Gains (Losses)	46,890	110,439	194,158	214,315	110,473	-84,028	278,457
Stockholder Dividends	-250	...	...	...	...	...	...
Other Changes in Capital and Surplus	-5,298	-250	-7,217	-6,721	-997	19,980	26,168
Net Change in Policyholders' Surplus	57,007	137,677	274,716	265,173	117,513	-61,221	293,979
Ending Policyholders' Surplus	2,145,045	1,950,999	2,088,038	1,813,322	1,548,149	1,430,636	1,491,857
Net Change in Policyholders' Surplus (%)	2.7	7.6	15.1	17.1	8.2	-4.1	24.5
Net Change in Policyholders' Surplus (5 yr CAGR)	...	...	11.8	...	...	...	...

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021
Net Operating Cash Flow USD (000)	38,448	50,891	124,854	128,385	25,856	69,174	50,389
Current Liquidity (%)	177.4	171.6	183.1	186.2	150.1	149.7	163.2

Source: BestLink® - Best's Financial Suite

Ceded Reinsurance Analysis	Year End - December 31 2025	2024	2023	2022	2021
Merrimack Insurance Company					
Ceded Reinsurance USD (000)	117,892	133,654	118,048	100,046	72,613
Business Retention (%)	69.5	68.1	71.0	70.7	70.2
Reinsurance Recoverables to PHS (%)	0.9	1.8	1.7	1.9	1.1
Ceded Reinsurance to PHS (%)	5.6	7.4	7.6	7.0	4.9
Personal Property Composite					
Business Retention (%)	47.2	47.1	49.2	50.9	50.9
Reinsurance Recoverables to PHS (%)	20.7	30.1	24.6	32.3	20.1
Ceded Reinsurance to PHS (%)	55.0	66.4	56.6	60.8	46.1

Source: BestLink® - Best's Financial Suite

2025 Reinsurance Recoverables USD (000)	Paid & Unpaid Losses	Incurred but not reported (IBNR) losses	Unearned premiums	Other Recoverables	Total Reinsurance Recoverables
US Affiliates	242,062	93,705	285,512	18,446	639,724
US Insurers	6,002	...	10,530	1,712	18,244
Pools/Associations	...	...	58	...	58
Other Non-US	1,372	...	...	...	1,372
Total (excluding US Affiliates)	7,374	...	10,588	1,712	19,674
Grand Total	249,436	93,705	296,099	20,158	659,399

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Composition of Cash and Invested Assets							
Total Cash and Invested Assets USD (000)	2,894,908	2,666,482	2,807,767	2,466,423	2,115,350	1,985,760	2,021,496
Composition Percentages (%)							
Unaffiliated:							
Cash and Short Term Investments	5.9	7.5	6.1	10.2	7.0	6.9	11.0
Bonds	11.9	10.2	11.9	10.9	12.1	12.2	7.0
Stocks	43.5	43.2	43.0	42.2	44.9	46.0	48.6
Other Invested Assets	3.7	6.7	3.7	4.1	4.0	4.4	2.1
Total Unaffiliated	64.9	67.6	64.7	67.4	67.9	69.5	68.8
Investments in Affiliates	35.1	32.4	35.3	32.6	32.1	30.6	31.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Composition of Bond Quality (%)							
Investment Grades							
Class 1 (Highest Quality)	83.8	80.0	84.0	80.1	86.1	88.5	99.3
Class 2 (High Quality)	16.2	20.0	16.0	19.9	13.8	11.4	0.7
Total Investment Grade	100.0	100.0	100.0	100.0	99.8	99.8	100.0
Non-Investment Grades							
Class 3 (Medium Quality)	...	...	...	...	0.2	0.2	...
Total Non-Investment Grade	...	...	...	...	0.2	0.2	...

Source: BestLink® - Best's Financial Suite

	Years					
Bonds and Short Term Investments	0-1	1-5	5-10	10-20	20+	Average (Years)
Distribution by Maturity (%)						
Total Publicly Traded Bonds	6.7	29.6	33.7	9.7	2.9	5.6
Total Privately Placed Bonds	1.7	10.3	4.1	1.1	0.3	0.9
Total Bonds	8.4	39.9	37.8	10.8	3.2	6.5

Source: BestLink® - Best's Financial Suite

	Year End - December 31
	2025
Bonds by Issuer (%)	
U.S. Govt & Municipalities - Issuer Credit Obligations	15.6
All other Issuer Credit Obligations - U.S. - Unaffiliated	30.0
All other Issuer Credit Obligations - Foreign - Unaffiliated	5.6
Asset-Backed Securities - U.S. - Unaffiliated	45.9
Asset-Backed Securities - Foreign - Unaffiliated	2.9

Source: BestLink® - Best's Financial Suite

Balance Sheet Highlights

Asset Liability Management | Investments (Continued...)

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Stock Portfolio							
Stocks USD(000)	2,201,132	1,939,789	2,124,102	1,768,391	1,549,997	1,439,147	1,529,015
By Type (%)							
Unaffiliated Common	...	...	56.9	58.8	61.3	63.5	64.3
Affiliated Common	...	...	43.1	41.2	38.7	36.5	35.7

Source: BestLink® - Best's Financial Suite

Reserve Adequacy

Loss and Loss Adjustment Expense Reserve Development

	6-Months		Year End - December 31				
	2026	2025	2025	2024	2023	2022	2021
Calendar Year:							
Loss and ALAE* Reserves USD (000)	335,017	307,997	301,964	304,340	287,119	303,501	273,209
Loss and ALAE* Reserves Development USD (000)	1,227	17,023	...	33,748	13,856	20,739	16,373
Development to:							
Original Reserves (%)	...	...	...	12.5	5.1	7.3	6.4
Prior Year End Reserves(%)	0.4	6.1	...	...	...	...	...
Prior Year End Surplus (%)	0.1	0.9	...	1.9	0.9	1.4	1.1

Source: BestLink® - Best's Financial Suite

* Interim LAE reserves balances displayed include Adjusting and Other Unpaid as well as Defense and Cost Containment Unpaid. Year End LAE balances include Defense and Cost Containment Unpaid only.

	Year End - December 31				
	2025	2024	2023	2022	2021
Accident Year:					
Original Loss and ALAE Reserves USD (000)	114,137	102,167	107,186	126,664	125,715
Loss and ALAE Reserves Developed thru Latest Year End USD (000)	114,137	135,705	107,848	135,431	132,439
Development to Original Reserves (%)	...	32.8	0.6	6.9	5.3
Accident Year Loss and LAE Ratio (%)	45.0	55.1	63.0	68.3	69.5
Accident Year Combined Ratio (%)	85.0	96.6	103.4	107.2	109.9

Source: BestLink® - Best's Financial Suite

Operating Performance Highlights

Operating and Financial Performance Ratios (%)	6-Months		Year End - December 31					Weighted Average
	2026	2025	2025	2024	2023	2022	2021	
Merrimack Insurance Company								
Calendar Year Loss and LAE Ratio	61.6	63.3	51.1	50.0	65.0	67.3	67.0	59.0
Expense and Policyholder Dividend Ratio	39.3	36.9	40.0	41.5	40.3	38.9	40.4	40.2
Combined Ratio	101.0	100.2	91.1	91.4	105.3	106.2	107.4	99.3
Reserve Development Ratio Impact	0.5	6.8	6.1	1.8	1.3	0.7	-1.3	2.1
Net Investment Yield	1.9	2.0	1.9	2.1	2.1	1.9	1.6	1.9
Pre-Tax Operating Return on Net Earned Premiums	6.7	5.7	16.9	16.4	3.3	1.9	-0.5	8.6
Net Income Return on Policyholders' Surplus	1.5	2.9	4.5	3.4	0.5	0.2	-0.8	1.8
Total Return on Policyholders' Surplus	5.9	14.7	14.5	16.2	8.0	-5.6	19.9	10.8

Source: BestLink® - Best's Financial Suite

AMB #: 002055 - Merrimack Insurance Company

Operating Performance Highlights

Operating and Financial Performance Ratios (%)	6-Months 2026	6-Months 2025	Year End - December 31 2025	2024	2023	2022	2021	Weighted Average
Personal Property Composite								
Calendar Year Loss and LAE Ratio	64.3	74.6	63.7	79.9	80.1	78.4	73.7	74.7
Expense and Policyholder Dividend Ratio	28.7	28.6	27.0	26.1	26.6	26.9	29.0	27.0
Combined Ratio	93.0	103.2	90.7	106.0	106.7	105.2	102.7	101.7
Reserve Development Ratio Impact	-3.1	0.3	-0.1	1.7	1.8	-0.2	0.2	0.7
Net Investment Yield	3.2	3.1	3.2	3.1	3.3	2.2	2.1	2.8
Pre-Tax Operating Return on Net Earned Premiums	14.8	4.4	16.0	...	-0.4	-1.2	1.7	3.9
Net Income Return on Policyholders' Surplus	10.5	4.5	12.8	0.2	-0.9	-1.3	1.5	2.7
Total Return on Policyholders' Surplus	15.3	7.5	16.3	2.8	1.2	-4.2	5.8	4.7

Source: BestLink® - Best's Financial Suite

By Line - Net Loss Ratio (%)	Year End - December 31 2025	2024	2023	2022	2021
Homeowners	41.7	43.2	65.6	59.6	55.3
Comm M.P.	46.8	49.1	61.5	63.1	50.0
Rein-NPA Prop	57.4	29.3	27.5	70.4	95.1
Fire	49.0	43.5	48.0	47.1	42.0
Allied Lines	40.4	32.2	86.1	56.4	59.3
Other Liab	52.5	80.3	56.6	43.6	34.1
Inland Marine-T	21.0	17.2	20.3	23.6	20.0
Auto Phys Dmg	53.6	70.9	74.0	63.0	51.6
PP Auto Liab	71.4	85.8	66.9	60.7	48.6
All Other	...	...	...	100.0	...
Total	45.8	43.3	58.4	59.6	59.6

Source: BestLink® - Best's Financial Suite

Geographic - Direct Loss Ratio (%)	Year End - December 31 2025	2024	2023	2022	2021
Massachusetts	33.6	29.2	51.4	43.4	38.2
New York	39.7	62.2	68.5	55.3	54.5
Connecticut	46.3	45.5	51.3	61.1	54.8
Rhode Island	37.3	40.5	68.2	65.3	46.2
New Jersey	41.6	32.1	42.4	38.5	52.1
Maine	45.8	23.8	79.4	66.2	33.2
Illinois	78.0	39.4	32.2	26.4	36.2
New Hampshire	19.0	44.6	20.7	56.5	31.7
Total	39.4	42.2	56.9	50.6	45.7

Source: BestLink® - Best's Financial Suite

AMB #: 002055 - Merrimack Insurance Company

Business Profile Highlights

Premium Composition and Growth	6-Months		Year End - December 31					
	2026	2025	2025	2024	2023	2022	2021	5 Year CAGR
Direct Premiums Written USD (000)	309,915	300,204	637,908	578,252	482,952	430,946	391,486	...
% Change	3.2	14.8	10.3	19.7	12.1	10.1	4.6	11.3
Reinsurance Premiums Assumed USD (000)*	314,205	309,458	167,222	150,396	117,850	128,735	143,694	...
% Change	1.5	15.0	11.2	27.6	-8.5	-10.4	-2.1	2.6
Reinsurance Premiums Ceded USD (000)*	334,570	329,271	245,455	232,190	174,502	163,896	159,739	...
% Change	1.6	13.5	5.7	33.1	6.5	2.6	-9.9	6.7
Net Premiums Written USD (000)	289,550	280,391	559,675	496,458	426,300	395,785	375,441	...
% Change	3.3	16.6	12.7	16.5	7.7	5.4	9.3	10.2

Source: BestLink® - Best's Financial Suite
*Quarterly premiums include affiliated reinsurance premiums that are eliminated in annual assumed and ceded values.

2025 By Line Business	Direct Premiums Written		Reinsurance Premiums Assumed		Reinsurance Premiums Ceded		Net Premiums Written		Business Retention
	USD (000)	%	USD (000)	%	USD (000)	%	USD (000)	%	%
Homeowners	297,821	46.7	36,834	22.0	61,010	24.9	273,645	48.9	81.8
Comm M.P.	148,584	23.3	...	...	46,976	19.1	101,608	18.2	68.4
Fire	76,120	11.9	293	0.2	39,629	16.1	36,785	6.6	48.1
Allied Lines	71,812	11.3	674	0.4	37,788	15.4	34,698	6.2	47.9
Other Liab Occurrence	37,531	5.9	96	0.1	12,532	5.1	25,095	4.5	66.7
Top 5	631,868	99.1	37,896	22.7	197,935	80.6	471,829	84.3	70.4
All Other	6,040	0.9	129,326	77.3	47,521	19.4	87,845	15.7	64.9
Total	637,908	100.0	167,222	100.0	245,455	100.0	559,675	100.0	69.5

Source: BestLink® - Best's Financial Suite

Historical Market Presence

By Line Breakdown - NPW USD (000)	Year End - December 31				
	2025	2024	2023	2022	2021
Homeowners	273,645	237,762	205,986	185,154	169,352
Comm M.P.	101,608	93,105	79,444	70,004	61,314
Rein-NPA Prop	79,573	72,057	56,202	61,920	69,420
Fire	36,785	33,407	31,599	29,043	27,729
Allied Lines	34,698	28,405	23,035	21,129	19,656
Other Liab	25,095	23,536	22,380	21,037	20,457
Inland Marine-T	5,835	5,784	5,668	5,684	5,700
Auto Phys Dmg	1,293	1,286	1,039	931	922
PP Auto Liab	1,144	1,115	948	883	890
Total	559,675	496,458	426,300	395,785	375,441

Source: BestLink® - Best's Financial Suite

Business Profile Highlights

Historical Market Presence (Continued...)

By Geographic Breakdown - DPW USD (000)	Year End - December 31 2025	2024	2023	2022	2021
Massachusetts	190,988	178,823	163,621	152,008	146,433
New York	178,447	170,886	134,014	111,423	95,957
Connecticut	84,052	68,071	52,305	46,181	42,382
Rhode Island	62,803	57,871	51,508	46,521	36,967
New Jersey	60,959	54,035	46,241	43,156	40,216
Maine	41,801	30,928	16,959	14,297	12,668
Illinois	10,996	10,043	8,910	8,329	8,128
New Hampshire	7,861	7,594	9,393	9,030	8,735
Total	637,908	578,252	482,952	430,946	391,486
Geographic Concentration Index	0.21	...	...	...	...

Source: BestLink® - Best's Financial Suite

By Line Reserves USD (000)	Year End - December 31 2025	2024	2023
Rein-NPA Prop	87,742	88,082	95,250
Comm M.P.	86,093	74,407	57,915
Homeowners	75,248	62,110	82,329
Other Liab	43,222	40,708	31,606
Fire	12,979	10,746	12,020
Allied Lines	4,840	3,508	8,223
PP Auto Liab	946	1,009	838
Inland Marine-T	302	235	404
Auto Phys Dmg	74	88	63
Total	311,446	280,892	288,649

Source: BestLink® - Best's Financial Suite

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