BEST'S RATING REPORT

GEOVERA INSURANCE GROUP

Domiciliary Address: Bermuda
Administrative Office: 1455 Oliver Road, Fairfield, California 94534 United States

AMB #: 088611	**NAIC #:** N/A	**FEIN #:** N/A
Phone: 800-785-2658	**Fax:** 707-863-9342	**Website:** N/A

GEOVERA INSURANCE COMPANY — A

Domiciliary Address: 1455 Oliver Road, Fairfield, California 94534 United States

AMB #: 012075	**NAIC #:** 10799	**FEIN #:** 52-2029259
Phone: +1-628-218-3800	**Fax:** +1-628-877-0107	**Website:** N/A

Financial Strength Rating
A Excellent

Best's Credit Rating Effective Date
April 23, 2021

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Information

Best's Credit Rating Methodology

Guide to Best's Credit Ratings

Market Segment Outlooks

Financial Data Presented

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.

GeoVera Insurance Group

AMB #: 088611
Associated Ultimate Parent: AMB # 059361 - GeoVera Investment Group, Ltd.

Best's Credit Ratings - for the Rating Unit Members

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

Assessment Descriptors

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

Rating Unit - Members

Rating Unit: GeoVera Insurance Group | AMB #: 088611

AMB #	Rating Unit Members	AMB #	Rating Unit Members
012042	Coastal Select Insurance Co	093520	GeoVera Reinsurance, Ltd.
012075	GeoVera Insurance Company	011678	GeoVera Specialty Insurance Co

Rating Rationale

Balance Sheet Strength: Very Strong

- The group's available capital is assessed at the strongest level as measured by Best's Capital Adequacy Ratio (BCAR), although its surplus has generally declined since 2011 as dividends in excess of profits have been distributed to shareholders annually. Its quality of capital and asset/liability management (ALM) are very strong.
- Given the nature of its business, GeoVera's balance sheet may periodically be subject to higher than expected calls on capital and liquidity depending on catastrophic loss frequency and severity. The group has exposure to certain extreme "tail" events related to wind and earthquake.
- Surplus has declined over the most recent five-year period to $102 million at year-end 2020 from $141 million as management has been upstreaming excess capital to its ultimate parent. Dividends of approximately $60 million during this period exceeded net income of $30 million. Profitability has declined due to a spate of significant catastrophe (CAT) and near CAT activity since late 2017 after a long period of benign activity.
- The group prudently preserves its balance sheet through reinsurance guidelines designed to cover in excess of a 250-year modeled all-perils event. The current multi-year program covers approximately a modeled 275-year all-perils event. AM Best considers its program appropriate for its given risk appetite.
- GeoVera's high reinsurance dependence leaves the group somewhat susceptible to changes in reinsurance availability, pricing and terms and conditions.

Operating Performance: Strong

- Operating performance is considered strong but has become relatively volatile following an increase in CAT activity since 2016. Prospective operating performance is expected to improve as a result of management's strategy to reshape the company's portfolio and increase pricing on residential wind business while expanding the use of endorsements limiting exposure to weather-driven losses.
- GeoVera has experienced higher than average earnings volatility of late given its significant property business orientation and its inherent risk exposure to catastrophes. A well thought out reinsurance program and the re-balancing of the book with emphasis on non-admitted paper and commercial property exposure are expected to return profitability metrics to shareholder expectations.
- The group has posted weaker than expected underwriting and operating results in three of the past four years due to abnormally high CAT activity. The increased CAT activity since late in 2017 has added approximately 30 points to annual combined ratios. The group budgets a sound CAT load annually, but the recent activity has generated CAT losses exceeding the budget.
- High acquisition costs incrementally increased the expense ratio as part of its expansion initiatives introduced in 2015. Reduction of the homeowners book is expected to help lower the overall expense ratio, which is higher than that of its peers.

Business Profile: Neutral

- GeoVera Insurance Group focuses on underwriting CAT-exposed residential property risks, primarily in California, Florida, Texas, Louisiana, Washington, Alabama, and South Carolina. The group's current mix of business is approximately 54% (of 2020 gross written premium) homeowners, 27% residential earthquake coverage, and 19% wind-only.
- The group is led by a new CEO since July 2020, who has initiated a business strategy to exit admitted wind and non-core markets and diversify its book of business, with renewed growth in the residential earthquake book and assumption of a portion of commercial wind underwritten by AmRisc, LLC, a managing general agent that specializes in underwriting commercial catastrophe exposed property. By the end of 2021, a re-tooled mix of business will introduce up to 20% of in-force premium in MGA-underwritten commercial wind, replacing the group's admitted wind and non-core market business.
- The group is not a market leader but is viewed as competitive in chosen markets. It has some concentration and limited control of distribution. It has elevated product risk but a strong management team that has proven capable of managing severity and frequency of loss through its policy forms. Its use of technology is evolving, and its business spread of risk is adequate. The group is also gaining acceptance of a single-peril wind product through national carrier partnerships and pricing granularity.
- GeoVera combines an established CAT-modeled and web-based quoting and binding system to ensure proper pricing, with an extensive CAT reinsurance program to mitigate its exposure.
- The group has a highly experienced senior management team with expertise in CAT-exposed markets that has developed a sound insurance delivery platform with progressive developments over time.

Enterprise Risk Management: Appropriate

- GeoVera's ERM framework is well developed and appropriate given the size and complexity of its operations. Risk management capabilities are very good and are well aligned with the risk profile of the group.

- GeoVera's biggest individual risk is its susceptibility to a severe continental U.S. hurricane event with surge. The group has moderate to high underwriting risk, with its products in personal lines homeowners and earthquake coverages concentrated in California, Florida, Texas, Louisiana, Washington, Alabama, and South Carolina. Combined all-perils PMLs are high in the course of its normal business, but management continues to adjust its book to minimize correlation geographically and by product, and risks are further mitigated by a strong reinsurance program and favorable surplus position.
- The group's reinsurance strategy endeavors to preserve capital in excess of 250-year combined all-perils VaR, with first-event retention remaining at $19 million. Individual, uncorrelated perils are covered for return periods of 500 to 1,000 years.
- GeoVera's underwriting, investment and market risks are readily manageable by its solid capital structure and highly experienced, knowledgeable, and hands-on senior management team. Underwriting risks are continually reviewed and refined with timely implementation of adjustments.

Outlook

- The negative outlooks reflect AM Best's view that GeoVera's operating performance has weakened somewhat relative to similarly assessed companies, driven by several consecutive years of outsized CAT losses. Under new leadership, management expects its initiatives will return the group to historically strong operating results. The balance sheet assessment remains very strong based in part by the strongest level of risk-adjusted capitalization, as measured by BCAR. Although the reinsurance program has protected GeoVera from large losses, the group has been impacted by numerous lower tier events. The impact of such extraordinary CAT activity is testing the strength of GeoVera's fundamental business strategy and execution.

Rating Drivers

- Negative rating action may result if operating results fall short of management's expectations for its revised underwriting strategy or if volatility from catastrophe activity results in outsized losses that do not resemble similarly rated entities.
- Negative rating action may result from a significant deterioration in capital strength.
- Positive rating action may result from consistent operating performance that compares favorably with the group's composite of personal property companies and similarly rated entities.

Credit Analysis

Balance Sheet Strength

The balance sheet final assessment is assessed as very strong based on the strongest risk-adjusted capitalization as measured by its Best Capital Adequacy Ratio (BCAR) at the 99.6 return period, neutral holding company assessment, with consideration of capital quality and financial flexibility. The company historically returned excess capital annually through dividend payments, even as it faces periodic CAT events and growth initiatives to diversify its business profile. It has begun evaluating dividends later in the year after CAT season to ensure the balance sheet is appropriately protected before returning capital. Under the leadership of its new CEO, the company does not anticipate any dividends in the near to mid-term as it remixes its business.

Capitalization

GeoVera maintains the strongest risk-adjusted capitalization as measured by BCAR, which comfortably supports its very strong balance sheet strength assessment. The group's capital position reflects its moderate net underwriting leverage, a relatively low reserve to surplus ratio, and conservative investment risk profile, partially offset by off balance sheet catastrophe exposure. Based on the group's business concentration in catastrophe-exposed lines of business and geographies, overall capitalization may be susceptible to significant catastrophe losses, primarily resulting from earthquake and hurricane occurrences. GeoVera effectively manages this exposure through its sophisticated catastrophe modeling techniques, a comprehensive catastrophe reinsurance program, (supplemented by aggregate coverage for smaller storms) and ongoing policy form improvements. Baseline and stress capital adequacy models reflect GeoVera's capacity to withstand an all-perils catastrophic loss scenario representing probable maximum losses (PMLs) comprised of an aggregate of uncorrelated catastrophe events derived from discrete single peril models.

Surplus has generally declined over the past ten years as the group's stockholder dividends have exceeded net income driven by strong underwriting results. The company had historically paid dividends during the year until management stopped this practice in 2017 since higher catastrophe activity was more common in the second half of the year. Further, in accordance with the company's policy of maintaining its balance sheet strength, the parent contributed $10 million in the fourth quarter of 2017 to offset the impact of greater than expected catastrophe losses of Hurricanes Harvey and Irma and various other mini-cat events. The amount was returned to the parent in 2018. Capital also benefits from support of approximately $75 million of subordinated debentures (TRUPs), augmenting policyholder surplus.

GeoVera's enterprise risk management (ERM) program includes internal capital management policies that have required minimum levels for stressed capital adequacy and for liquidity management. The group has reported positive operating cash flows in each of the

Balance Sheet Strength (Continued...)

past five years due to favorable underwriting results. However, since the group's underwriting focus is on catastrophe-prone risks, the liquidity measures are exposed to certain degrees of variability. The company maintains sufficient cash per its investment guidelines and ERM requirements to fully cover its retention.

Asset Liability Management - Investments

BlackRock manages the investment portfolio. The investment portfolio's objective is to provide a total return that exceeds the total return of a Benchmark Index comprised of three US government bond indices; a muni index; a corporate index; an ABS index; and a CMO index. Portfolio duration is short and weighted average credit rating of the bond portfolio is 'AA'. The company takes minimal risk in equities with exposure less than 10% of surplus and 5% of surplus plus TRUPs.

Reserve Adequacy

Reserves appear adequate and the reserve to policyholder surplus ratio remains strong and lower than that of the industry. Calendar-year and accident-year development over the past five years has been generally favorable and less than five points annually. Reserves in 2019 was negatively impacted by a spike in Florida homeowners claims as plaintiff bars filed claims ahead of new legislation under which they would be prohibited from doing so.

Recent increases in reserves have been due proportionally to new business; to elevated catastrophic (and mini-cat) loss activity; and to an increase in frequency and severity of Florida water damage losses, which has been impacting most insurers operating in the Florida market. Aside from these items, the group generally had favorable development due to reductions in estimates as actual losses have not been as severe as modeled.

Holding Company Assessment

GeoVera's parent, GeoVera Investment Group Ltd., was organized in 2012 by affiliates of Flexpoint Ultimate Management II (Cayman), L.P. (Flexpoint). Flexpoint is a fund of Flexpoint Ford, a private equity investment firm that has raised over $4.3 billion in capital and specializes in the financial services and healthcare industries. Flexpoint Ford has completed investments in over thirty companies since its formation in 2005. Flexpoint Ford will invest up to $500 million of its own capital in a single transaction in minority and control structures across private and public companies and has the ability to invest in larger transactions (or contribute incremental capital) with support from limited partners.

Flexpoint can augment GeoVera's capitalization with financial flexibility, liquidity, and access to capital markets, if necessary. The company touts its focus on being a partner and taking a collaborative approach with risk management teams to optimize the long-term value of its investments.

Operating Performance

Operating performance is assessed as strong. With the exception of CAT, attritional underwriting results and operating performance continue to be satisfactory. The company has reported weaker results following increased CAT activity beginning in late 2017, impacting each year's operating results much more than the benign CAT years of 2016 and prior. Under its new CEO, the company is pivoting its strategy calling for:

1. writing its wind business exclusively on an E&S (Excess and Surplus lines) basis;

2. exiting admitted wind and non-core markets;

3. renewing growth in its niche residential earthquake book; and

4. adding diversification by adding exposure from a risk pool underwritten by an MGA that specializes in underwriting commercial catastrophe exposed property, AmRisc LLC (expected to be near 20% of in-force premium at YE 2021).

CAT loads in projections had expected approximately 14 points on average, and ultimately resulted in approximately 27 points on average from 2016-2020. In 2020, it retained $110 million of $315 million gross CAT/ near CAT losses that accounted for 42 points in its combined ratio. Additionally, lower reliance on admitted wind and residential property should prospectively reduce acquisition costs and the expense ratio.

Operating Performance (Continued...)

GeoVera also maintains a very conservative investment portfolio, with minimal exposure to equity market fluctuations. The investment income generated from its fixed income portfolio in combination with other income from underwriting fees has complemented the group's solid underwriting income.

Attritional loss ratios have deteriorated since 2013 due to the issue in the Florida market related to policyholders' Assignment of Benefits (AOB) that became a chronic detriment to Florida homeowner insurers. In 2019, Florida revised its one-way fee law to prevent abuses by plaintiff attorneys. Introduction of the new legislation caused plaintiff lawyers to rush to file suits/claims ahead of the change to ensure treatment under the old law, resulting in a small temporary spike in 2019 attritional losses for the then-current and 2014 accident years. GeoVera has addressed the issue aggressively with increased rates and fees, exclusions for properties with prior water damage, and changes in its policy form. The impact of GeoVera's Florida water endorsement (excluding properties with any prior water loss (reported and/or paid) also resulted in favorable trends. Data mining initiatives under the new CEO have targeted certain properties for non-renewals due to excessive loss histories as well as sharpened required premium rates in order to improve profitability in other personal property policies.

Business Profile

The ratings are based on the consolidation of the GeoVera Insurance Group (GeoVera or the group), which consists of three U.S.-based insurance companies and one Cayman Island-based reinsurance company, GeoVera Reinsurance, Ltd., all of which are owned by a Bermuda-based holding company. The three U.S.-based entities are GeoVera Insurance Company, Coastal Select Insurance Company (f.k.a. Pacific Select Property Insurance Company) and GeoVera Specialty Insurance Company. Effective November 1, 2005, these entities were acquired from St. Paul Travelers Companies, Inc., by an affiliate of private equity investors, Friedman Fleischer & Lowe, LLC and Hellman & Friedman, LLC. On August 8, 2012, the GeoVera Insurance Group was acquired by Flexpoint Ford, LLC.

An inter-company pooling agreement is in place among the three U.S.-based entities, with GeoVera Insurance Company acting as the lead company in the pool. Fifty percent of the net pooled liabilities of the three companies are assumed by the Cayman Island-based reinsurance operating company, GeoVera Reinsurance, Ltd., through a quota-share reinsurance agreement. The rating is assigned on a group basis for all four operating entities. The group focuses on underwriting catastrophe-exposed residential property risks, primarily in California, Florida, Texas, Louisiana, Washington, Alabama, and South Carolina. The group's gross written premium mix of business in 2019 included 54%of its book in homeowners; 27% in residential earthquake coverage; and 19% in wind-only coverage. Homeowners business is primarily on a non-admitted basis in Alabama, Florida, Louisiana, South Carolina and Texas. Business is distributed through long-standing wholesale surplus lines brokerages. Residential earthquake business is on an admitted basis in California, Oregon and Washington, and is distributed through a network of approximately 3,600 independent brokers and agents plus direct channels.

Since July 2020, the group has been led by a new CEO, John Forney, who has initiated a business strategy shift to diversify GeoVera's book toward non-admitted wind and commercial exposures, along with renewed focus on its niche personal earthquake business, while exiting admitted wind exposures and non-core geographies.

The commercial wind risks will be sourced from a risk pool underwritten by a leading MGA in that space, AmRisc (expected to be near 20% of in-force premium at YE 2021). AmRisc is a leading market underwriter of catastrophe and specialty insurance for commercial property. It partners with carriers to provide capacity to meet complete specialty coverage needs of its customers. AmRisc has been Lloyd's largest US wind coverholder and program manager with various carriers since AmRisc's inception in 2000, but is not a coverholder to the pool in which GeoVera is participating.

Enterprise Risk Management

Senior level officers of GeoVera are responsible for coordinating the Enterprise Risk Management (ERM) function. The group employs traditional risk management techniques with regard to operational risks focusing on such areas as underwriting, loss reserves, investments, regulation, disaster recovery and management succession planning. Potential impacts associated with these operational risks have been quantified where applicable. GeoVera's board and business units are kept apprised of risk metrics and risk management activities. It is expected that management will continue to enhance its existing risk management framework and, where appropriate, integrate elements of a more formalized ERM structure into its process.

GeoVera has a strong reinsurance program in place which includes conservative estimates for modeled losses of stringent all peril events as well as extreme tail exposure to uncorrelated individual catastrophic events. AM Best will continue to monitor the group's management of its PML scenarios as it diversifies its book via its new strategy in other CAT-related products.

Enterprise Risk Management (Continued...)

Reinsurance Summary

Effective March 1, 2021, the company's catastrophe reinsurance program provides coverage up to $1.0 billion with an underlying retention of $19 million for the first event and $25 million in case of a second event. A multi-layer earthquake catastrophe program also provides coverage up to $1.0 billion with the same retentions. PMLs have been reduced by $250 million since the 2020 renewal due to a reduction from the exit of business previously described offset by an increase in the AmRisc, LLC exposure and incremental earthquake exposures.

The company augments its CAT towers with a $50 million aggregate coverage for lower grade storms in excess of $44 million retained for those storms that exceed $2 million in loss but are not ceded to the CAT tower. In 2021, it also purchased a $20 million stub policy ahead of its March 1st annual renewal that limited its Texas deep freeze (Snowstorm Uri) losses to $5 million.

Financial Statements

	12/31/2020		12/31/2019
Balance Sheet	**USD (000)**	**%**	**USD (000)**
Cash and Short Term Investments	120,434	18.0	113,858
Bonds	279,687	41.7	283,613
Equity Securities	6,472	1.0	6,533
Other Invested Assets	2,330	0.4	2,330
Total Cash and Invested Assets	408,923	60.9	406,334
Reinsurers' Share of Reserves	128,577	19.2	56,968
Debtors / Amounts Receivable	68,093	10.2	48,372
Other Assets	65,428	9.8	69,174
Total Assets	671,021	100.0	580,848
Gross Technical Reserves:			
Unearned Premiums	191,268	28.5	202,099
Non-Life Reserves	224,507	33.5	131,171
Total Gross Technical Reserves	415,775	62.0	333,270
Debt / Borrowings	74,176	11.0	73,874
Other Liabilities	78,477	11.7	50,401
Total Liabilities	568,428	84.7	457,545
Capital Stock	2	...	2
Paid-in Capital	127,065	18.9	126,821
Retained Earnings	-28,657	-4.3	-4,956
Other Capital and Surplus	4,183	0.6	1,436
Total Capital and Surplus	102,593	15.3	123,303
Total Liabilities, Mezzanine Items and Surplus	671,021	100.0	580,848

Source: BestLink® - Best's Financial Suite
US $ per Local Currency Unit 1 = 1 US Dollar (USD)

Last Update
April 27, 2021

Identifiers
AMB #: 088611

Contact Information
Administrative Office:
1455 Oliver Road, Fairfield,
California 94534
United States

Phone: 800-785-2658
Fax: 707-863-9342

Financial Data Presented

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

GeoVera Insurance Group

Operations

Domiciled: Bermuda

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

Best's Credit Ratings

Rating Relationship

AM Best Rating Unit: 088611 - GeoVera Insurance Group

Refer to the Best's Credit Report for AMB# 088611 - GeoVera Insurance Group for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

		Best's Credit Ratings	
AMB#	**Rating Unit Members**	**Financial Strength Rating**	**Long-Term Issuer Credit Rating**
012042	Coastal Select Insurance Co	A	a
012075	GeoVera Insurance Company	A	a
093520	GeoVera Reinsurance, Ltd.	A	a
011678	GeoVera Specialty Insurance Co	A	a

Management

The group remains under the direction of a stable management team since 2005 consisting of: Kevin M. Nish, President; Brian T. Sheekey, Senior Vice President and Chief Financial Officer; Karen Padovese, Senior Vice President, Chief Operations Officer and Secretary; Nesrin Basoz, Senior Vice President; Frank Albertson, Vice President; Thomas Hanzel, Vice President and Treasurer.

Officers

CEO: John L. Forney
Chief Operations Officer: Deepak Menon
Chief Underwriting Officer and Chief Risk Officer: Nesrin I. Basoz
SVP and CFO: Brian T. Sheekey
Secretary: Horseshoe Corporate Services Ltd.

Directors

Christopher Ackerman

Directors (Continued...)

Nesrin Basoz
Charles Cooper
Donald Edwards
John Forney
Mary Hennessy
James Little
Kevin Nish
Brian Sheekey

History

Effective November 1, 2005, GeoVera Insurance Company, Coastal Select Insurance Company (f.k.a. Pacific Select Property Insurance Company) and GeoVera Specialty Insurance Company were acquired from St. Paul Travelers Companies, Inc., by an affiliate of private equity investors, Friedman Fleischer & Lowe, LLC and Hellman & Friedman, LLC. On August 8, 2012, these companies were acquired by Flexpoint Ford, LLC.

Last Update
April 27, 2021

Identifiers
AMB #: 012075
NAIC #: 10799
FEIN #: 52-2029259

Contact Information

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Phone: +1-628-218-3800
Fax: +1-628-877-0107

Financial Data Presented

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

GeoVera Insurance Company

Operations

Date Incorporated: March 24, 1997 **|** **Date Commenced:** April 01, 1997

Domiciled: California, United States

Licensed: (Current since 03/29/2012). The company is licensed in the District of Columbia, AL, AK, AZ, AR, CA, CO, DE, HI, ID, IL, IN, IA, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NE, NV, NJ, ND, OK, OR, PA, RI, SC, SD, TX, UT, VT, VA, WA, WV, WI and WY.

Business Type:	Property/Casualty
Organization Type:	Stock
Marketing Type:	Independent Agency
Financial Size:	VIII ($100 Million to $250 Million)

Best's Credit Ratings

Rating Relationship

AM Best Rating Unit: **088611 - GeoVera Insurance Group**

GeoVera Insurance Company is a member of GeoVera Insurance Group (AMB# 088611). GeoVera Insurance Company is a member of the GeoVera Insurance Group rating unit reflecting its overall strategic importance within the group, as demonstrated by the intercompany reinsurance arrangement between the affiliated group members. Refer to the Best's Credit Report for AMB# 088611 - GeoVera Insurance Group 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 1997. 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 - Apr 23, 2021	**A**	**g (Group Rating)**	**Negative**	**Affirmed**	**a**	**Negative**	**Affirmed**
Mar 25, 2020	A	g (Group Rating)	Stable	Affirmed	a	Stable	Affirmed
Feb 28, 2019	A	g (Group Rating)	Stable	Affirmed	a	Stable	Affirmed
Jan 31, 2018	A	g (Group Rating)	Stable	Affirmed	a	Stable	Affirmed
Nov 16, 2016	A	g (Group Rating)	Stable	Affirmed	a	Stable	Affirmed

Management

Officers

CEO: John L. Forney

Officers (Continued...)

Chief Operations Officer: Deepak Menon
Chief Underwriting Officer and Chief Risk Officer: Nesrin Basoz
SVP and CFO: Brian Sheekey
Vice President, Secretary and General Counsel: Robert Hagedorn
Treasurer: Brian Conner
Director: Vida Loya (Accounting)

Directors

Lori Gomez
Robert Hagedorn
Vida Loya
Deepak Menon

History

The company was incorporated in Maryland on March 24, 1997 as USF&G Insurance Company of California and began business on April 1, 1997. On July 24, 1997, the company changed its name to GeoVera Insurance Company. The company re-domesticated to California on January 1, 2007. The company offers residential earthquake primarily on an admitted basis in California.

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: USD **Company's local Currency:** US Dollar

Balance Sheet

	Year End - December 31			
	2020		2019	
Balance Sheet	USD (000)	%	USD (000)	%
Cash and Short Term Investments	25,142	20.0	30,082	22.5
Bonds	71,847	57.1	68,024	51.0
Other Invested Assets	2	...	11	...
Total Cash and Invested Assets	96,991	77.1	98,117	73.5
Premium Balances	15,103	12.0	20,925	15.7
Net Deferred Tax Asset	3,046	2.4	3,298	2.5
Other Assets	10,588	8.4	11,115	8.3
Total Assets	125,728	100.0	133,455	100.0
Loss and Loss Adjustment Expense Reserves:				
Net Reported Loss Reserves	6,488	5.2	4,600	3.4
Net IBNR Loss Reserves	4,250	3.4	2,163	1.6
Net LAE Reserves	6,160	4.9	5,484	4.1
Total Net Loss and LAE Reserves	16,899	13.4	12,246	9.2
Net Unearned Premiums	35,137	27.9	29,692	22.2
Other Liabilities	47,324	37.6	62,618	46.9
Total Liabilities	99,359	79.0	104,557	78.3
Capital Stock	5,000	4.0	5,000	3.7
Paid-In and Contributed Surplus	10,000	8.0	10,000	7.5
Unassigned Surplus	11,369	9.0	13,898	10.4
Total Policyholders' Surplus	26,369	21.0	28,898	21.7
Total Liabilities and Surplus	125,728	100.0	133,455	100.0

Source: BestLink® - Best's Financial Suite

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

A Best's Issue/Issuer Credit Rating is an opinion regarding the relative future credit risk of an entity, a credit commitment or a debt or debt-like security.

Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do not address any other risk, including but not limited to liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

In arriving at a rating decision, AM Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, AM Best does not independently verify the accuracy or reliability of the information. Any and all ratings, opinions and information contained herein are provided "as is," without any express or implied warranty.

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