

## PRESS RELEASE

### **Core Specialty Announces the Placement of Yosemite Re Catastrophe Bond**

- **First Catastrophe Bond Transaction Sponsored by Core Specialty**
- **Further Announces Successful Completion of 2022 Property Reinsurance Renewal**

**Cincinnati, OH:** June 6, 2022/Globe Newswire/ – Core Specialty Insurance Holdings, Inc. and its subsidiaries (“Core Specialty” or the “Company”) today announced the successful completion of its \$65 million multi-year Yosemite Re 144A catastrophe bond. The Yosemite Re Ltd. Series 2022-1 Principal At-Risk Variable Rate Notes provide coverage over a multi-year basis with an indemnity per occurrence trigger. This placement was not only Core Specialty’s first foray into the catastrophe bond market, but it also represents one of the only standalone E&S 144A catastrophe bond issuances to date.

The successful \$65 million Yosemite Re placement is the final element of Core Specialty’s Property reinsurance program for 2022 (the “2022 Program”). The 2022 Program attaches at \$50 million and exhausts at \$570 million. Other highlights of the 2022 Program include:

- \$495 million of capacity secured within Cat XOL program, an increase of \$120 million over 2021 Cat XOL placement capacity
- \$570 million exhaustion represents 250 Year AIR all perils return period for projected 9/30/22 portfolio
- Efficiently blends traditional, structured, ILS, and cat bond capacity
- Program supported by 26 reinsurers and an additional 16 supporters of the cat bond placement
  - Inclusive of the 1/1/22 Quota Share and Per Risk placements, 34 reinsurers support the 2022 Program
  - All reinsurers have an “A-” (Excellent) or better financial strength rating from A.M. Best and/or S&P or have posted collateral
- Cat XOL program augments the 1/1/22 Quota Share placement that provides additional Cat capacity (10.5% part of \$305 million Occurrence Limit)

Jeff Consolino, Core Specialty’s President and Chief Executive Officer, said, “The Yosemite Re transaction marks another important step for Core Specialty. The cat bond not only further optimizes our risk transfer program, it also diversifies our existing panel of reinsurance capital providers. We are thrilled to successfully complete this strategic transaction. We continue to build a market-leading property division and our robust reinsurance program will ultimately benefit our customers and distribution partners.”

GC Securities acted as lead structurer, sole bookrunner and sole initial purchaser.

**About Core Specialty**

Core Specialty offers a diversified range of property and casualty insurance products for small to mid-sized businesses. From its underwriting offices spanning the U.S., the Company focuses on niche markets, local distribution, and superior underwriting knowledge; offering traditional as well as innovative insurance solutions to meet the needs of its customers and brokers. Core Specialty is an insurance holding company operating through StarStone Specialty Insurance Company, a U.S. excess and surplus lines insurer, and StarStone National Insurance Company, Lancer Insurance Company, Lancer Insurance Company of New Jersey, U.S. admitted markets insurers. The Company is rated A- (Excellent) by AM Best. For further information about Core Specialty, please visit [www.corespecialty.com](http://www.corespecialty.com).

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