



Attitude • Speed • Innovation

ASI American
Strategic
Insurance



Who We Are



American Strategic Insurance Corp. (**ASI**) was formed in August of 1997 for the purpose of providing a voluntary insurance market for residential property.

ASI has built the company on solid business principles and staffed the organization with people who exemplify the company's spirit of "Attitude – Speed – Innovation".

Today, American Strategic is a major player in the Florida property insurance marketplace – ranking among the top 10 homeowner insurers in the State.

The company recently began insuring residential condominium associations located throughout the State of Florida and is on the way to becoming a leader in that market segment.

ASI has become an industry leader in evaluating the relative hurricane loss exposure; and, as a result, our pricing accurately reflects relative catastrophe risk.

By properly pricing hurricane risk and managing hurricane exposure relative to premiums written, we minimize the cost of transferring hurricane exposure to reinsurers. This provides us a significant competitive advantage versus major industry competitors.

The year 2004 was difficult for Florida insurance companies, impairing their surplus and leading to downgrades from major rating organizations. Yet due to our consistent disciplined approach in managing our catastrophe exposure, our reinsurance strategy and our strong, long-standing partnerships with top rated reinsurance partners, we had the most profitable year in our company's history.

Based on American Strategic Insurance Company's demonstrated ability to handle a major storm season and maintain its financial stability, we were one of the few Florida companies upgraded by the AM Best rating organization in 2005. Our Best rating was upgraded to B++ (Very Good) "stable".

ASI will continue to innovate and provide excellent coverage and service to its many cherished customers and agents.

American Strategic Insurance

We are not driven by the ebb and flow of soft and hard market pricing. Our approach is based on a fundamentally sound and strategically-focused spread of risk.

ASI takes a unique, sophisticated and innovative approach to the underwriting and management of their business. Combined, these techniques lead to pricing that more accurately reflects the risk.



Reinsurance Program

The loss-paying capabilities of reinsurance partners are critical when considering an insurance company's capital. **ASI** has a comprehensive and substantial reinsurance program in place protecting policyholder surplus in the event of a major catastrophe.

Independent Third-Party Rating



Buying the right insurance products from a financially sound company is a major challenge and a critical component of your financial future. The financial strength of the insurer is often the most important part of this decision.

ASI is proud to be rated by some of the leading independent rating organizations. These companies take an unbiased approach attesting to our financial security and ability to deliver on promises and protection that you buy with every policy of **ASI**.

These ratings are a positive reflection of **ASI**'s assets and stability and are an extremely important criteria, particularly for the challenging Florida marketplace environment.

Reinsurance Partners - Financial Stability

You have the assurance of knowing your protection is backed by some of the largest reinsurers in the world. In partnership with **ASI**, we are committed to delivering the high caliber of service you expect and deserve from leaders in property and casualty insurance.

Reinsurance Program

	AM Best Rating	S&P Rating	PHS (USD Million's)	As of
Domestic Markets				
Everest Reinsurance Company	A+	AA-	\$2,704	12/31/2006
GMAC Re Corporation for Motors Insurance Corporation	A-	NR	\$2,812	12/31/2006
Munich Reinsurance America, Inc.	A	AA-	\$3,774	12/31/2006
Paladin Catastrophe Management for Protective Insurance Company	A+	NR	\$343	12/31/2006
Swiss Reinsurance America Corporation	A+	AA-	\$3,015	12/31/2006
Bermuda Markets				
ACE Tempest Reinsurance Ltd	A+	A+	\$3,576	12/31/2005
Allianz Risk Transfer (Bermuda) Limited*	-	AA-	\$308	12/31/2005
Allied World Assurance Company Limited	A	A-	\$2,442	12/31/2006
Arch Reinsurance Limited	A	A	\$2,193	12/31/2005
Ariel Reinsurance Company Ltd	A-	-	\$1,160	12/31/2006
Aspen Insurance Limited	A-	A	\$1,217	12/31/2006
Axis Specialty Limited	A	A	\$3,727	12/31/2006
Catlin Insurance Company Limited	A	A-	\$1,277	12/31/2006
DaVinci Reinsurance Ltd	A	A	\$1,033	12/31/2006
Endurance Specialty Insurance Limited	A-	A	\$2,719	12/31/2006
Flagstone Reinsurance Limited	A-	-	\$742	6/30/2006
Gamut Reinsurance Limited*	-	-	-	-
IPCRe Limited	A	A-	\$1,992	12/31/2006
Max Re Ltd	A-	-	\$1,390	12/31/2006
New Castle Reinsurance Company Ltd	A-	-	\$597	12/31/2006
Platinum Underwriters Bermuda Ltd	A	-	\$1,244	12/31/2006
Renaissance Reinsurance Limited	A	A+	\$1,600	12/31/2006
Tokio Millennium Re Ltd	A+	AA	\$772	12/31/2006
Validus Reinsurance Ltd	A-	-	\$1,349	12/31/2006
XL Re Ltd	A+	A+	\$5,675	12/31/2005
International Markets				
AXA RE	A	AA	\$1,203	12/31/2005
Munich Re	A+	AA-	\$40,300	12/31/2006
R+V Versicherung AG	NR-5	A+	\$3,731	12/31/2005
London Markets				
Converium Ltd	B++	A-	\$1,541	12/31/2006
Glacier Re	A-	-	\$349	12/31/2006
Lloyd's of London	A	A+		
FDY 435	A	A+		
KLN 510	A	A+		
STN 566	A	A+		
ATR 570	A	A+		
AFB 623	A	A+		
GSC 958	A	A+		
CSL 1084	A	A+		
BGT 1301	A	A+		
RTH 1414	A+	A+		
AML 2001	A	A+		
SJC 2003	A	A+		
NVA 2007	A	A+		
MMX 2010	A	A+		
AFB 2623	A	A+		
MAP 2791	A	A+		
BRT 2987	A	A+		
ARK 4020	A	A+		

*fully collateralized

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Company Profile

Local Presence

ASI is a Florida - domiciled company with corporate headquarters located in St. Petersburg, Florida. **ASI** is an authorized insurer in the State of Florida.

Financial Strength

We are proud to be associated with quality reinsurance companies. **ASI** has a comprehensive reinsurance program structure with some of the worlds largest reinsurance partners. XL Re is not only a reinsurance partner, they also own 49.51% of the ASU Group of companies. Collectively, our reinsurance partners are known for their exceptional reputations and financial strength.

Business Writings

ASI has grown to become one of the 10 largest homeowner writers in Florida with approximately \$232,472,102* in written premium and 239,000* policyholders.

Company Resources / Expertise

ASU Group has 104 employees with fully-staffed customer service, claims, loss control, accounting and information technology divisions.

Catastrophe Program

ASI purchases the maximum protection available through the Florida Hurricane Catastrophe Fund (FHCF). In addition to participating in the FHCF, **ASI** purchases private reinsurance to minimize its net hurricane exposure.

The Results

We ended 2005 with a net combined ratio of 82% and a non-catastrophe loss ratio of 29% (including incurred but not reported losses).

Commitment

We are a company with a strong commitment to our customers, our shareholders, our reinsurance partners, our people and the communities in which we do business.

*Includes ASU Group

Industry Ratings

The following is an excerpt from the A.M. Best report on ASI:

“This rating reflects the group’s solid capitalization, favorable balance sheet liquidity and strong operating performance. While only writing business since 1998, the group has recorded double-digit operating returns due to its strong underwriting capabilities and innovative pricing system.”

THE GLOBAL SYMBOL OF FINANCIAL STRENGTH



The following is an excerpt from Demotech regarding ASI:

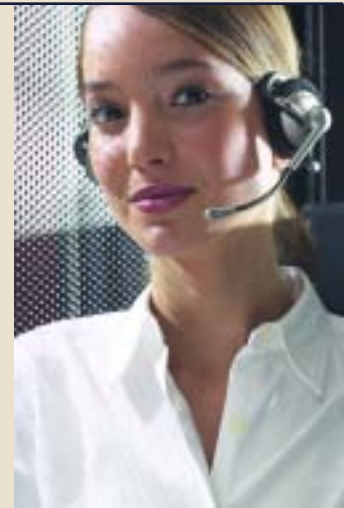
“Regardless of the severity of a general economic downturn or deterioration in the insurance cycle, insurers earning a Financial Stability Rating® of A' (A prime) possess unsurpassed financial stability related to maintaining positive surplus as regards policyholders.”



Claims Process

Attitude, Speed & Innovation

ASI recognizes that superior customer service begins with efficient claims handling. We work with you throughout the entire claims process-servicing to settle your claim needs. That's why we act quickly to process and validate each claim.



We are committed to paying what's owed as quickly as possible.

ASI Makes A Difference With:

- Convenience – We offer a 24 hour toll-free Emergency Claims Service.
- Availability – **ASI** offers Representatives and the strength of many local agents to meet our customers expectations.
- Service – We provide superior customer service to answer your questions quickly and effectively.
- Commitment – We strive to pay what is owed as quickly as possible as mandated by your policy.
- Network – **ASI** has its own experienced and knowledgeable claims staff in addition to a Network of independent adjusters and service providers.

ASI Catastrophe Unit

When a catastrophe impacts a community, our claims personnel will respond with **ASI's** Catastrophe Team and independent contractors to assist local agents and employees in helping our customers recover from the unexpected.

To Report A Claim

Phone: 1 - 866 - ASI - Loss
Fax: 1- 866 - 274 - 3299
Email: Claims@asicorp.org
Flood: 1 - 800 - 759 - 8656



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