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## PRESENTATION

### Operator

Good morning, my name is Daniel and I will be your conference operator today. At this time, I would like to welcome everyone to the James River Group First Quarter 2023 earnings call. All lines have been placed on mute to prevent any background noise. After the speaker's remarks, there will be a question-and-answer session. (Operator Instructions) I would now like to turn the conference over to Brett Shirreffs, Senior Vice President. Please go ahead.

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### **Brett Shirreffs** - *James River Group Holdings, Ltd. - SVP*

Good morning, everyone, and welcome to the James River Group Fourth Quarter 2023 earnings conference call. During the call we will be making forward-looking statements. These statements are based on current beliefs, intentions, expectations, and assumptions that are subject to various risks and uncertainties which may cause actual results to differ materially. For a discussion of such risks and uncertainties, please see the cautionary language regarding forward-looking statements in yesterday's earnings release and the risk factors of our most recent Form 10-K and other reports and filings we have made with the Securities and Exchange Commission. We do not undertake any duty to update any forward-looking statements.

In addition, during this presentation, we may reference non-GAAP financial measures such as adjusted net operating income, underwriting profit, tangible equity, tangible common equity, and adjusted net operating return on tangible common equity. Please refer to our earnings press release for a reconciliation of these numbers to GAAP, a copy of which can be found on our website at [www.jrvr.com](http://www.jrvr.com).

Lastly, unless otherwise specified for the reasons described in our earnings press release, all underwriting performance ratios referred to are for our continuing operations and business that is not subject to retroactive reinsurance accounting for loss portfolio transfers.

I will now turn the call over to Frank N. D'Orazio, Chief Executive Officer of James River Group.

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### **Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Thank you for the introduction, Brett. Good morning, everyone, and welcome to our fourth quarter 2023 earnings call. I'm pleased to be joining you today to provide additional color on our fourth quarter and full year 2023 results. In addition to providing some commentary on market conditions and the future outlook for James River. Before we get into the results for both the full year 2023 as well as the fourth quarter, I would like to take a moment to briefly comment on the decision made by the James River Board of Directors last November to explore strategic alternatives.

Over the last three years, we have made substantial progress repositioning James River around our core strengths while extinguishing legacy issues in our commercial auto and casualty reinsurance portfolios. The Board of Directors and the management team, however, do not believe that this

progress has been adequately reflected in the company's current valuation. After thoughtful consideration the Board with the assistance of our advisers has initiated exploration of potential strategic alternatives, and that process is currently active and ongoing.

To that end, the Board will consider a wide range of options for the company, including among other things, a potential sale merger or other strategic transaction. There can be no assurance that this process will result in the company pursuing a particular transaction or other strategic outcome. James River has not set a timetable for completion of this process, and it does not intend to disclose further developments unless and until it determines that further disclosure is appropriate or necessary.

Now turning to our results. 2023 was a transformational year for James River, a year in which we executed on a number of meaningful strategic priorities to position the organization for future long-term success. I'd like to take a few moments to summarize a few of these key developments.

First, following the sale of the renewal rights of our individual risk workers' compensation business with the Amynta Group. Our Specialty Admitted segment is now prospectively focused purely on fronted programs. We also appointed a new President and COO of our Specialty Admitted segment Bill Bowman, who has led our fronted programs business since 2019, builds a seasoned executive in the programs and MGA space who's well positioned to lead the division and continue to find profitable growth opportunities for the segment.

Second, we announced the sale of our Casualty Reinsurance business in JRG Re, our Bermuda domiciled reinsurance company to Fleming Holdings in November. We have now received all necessary regulatory approvals and we expect the transaction to close in the first quarter. Moving forward, the transaction will allow us to focus exclusively on E&S and fronting, two businesses where we have considerable scale and brand recognition to take advantage of market opportunities. The transaction also notably removes any further exposure to future reserve volatility from the legacy Casualty Reinsurance business.

Third, we expanded our product offering in our E&S segment with the introduction of our Management Liability division, led by Todd Sutherland. While we plan to take a patient approach in building out this underwriting division, we're excited to continue to diversify our product offering, expanding our value proposition to our distribution partners.

Lastly, we continue to attract very experienced talent to our executive team and Board of Directors, including the addition of Jim McCoy, who took over as Chief Actuary at the beginning of this year; and Dennis Langwell, who joined the Board in April of 2023 after a very successful career, both as a former CFO and then segment leader of a large business unit at Liberty Mutual.

Jim McCoy has more than 25 years of actuarial experience with an extensive casualty background and prior Chief Actuary experience. He joined us in August as a Chief Actuary at our E&S segment to ensure a smooth transition process following the retirement of Dave Gelinne. We've added considerably to the depth of our actuarial and enterprise risk resources over the last two years in an effort to further improve underwriting and performance monitoring, serving us well today and in the future.

We are now three years into what has been a significant turnaround and repositioning of James River around its core strengths. Market conditions have continued to provide tailwinds for our business as we have executed on these initiatives and gain scale across our platform. Before we dive into our performance for the quarter, I'd like to first share some financial highlights for the full year.

Our flagship E&S division ended 2023 with greater than \$1 billion of gross written premium, growing by 9.4% over the prior year. This is a milestone we had set out to achieve at the beginning of the year and we're excited to have met the goal. During the fourth quarter, the segment experienced its strongest submission growth since the first quarter of 2020, with both new and renewal submissions showing meaningful advancement. Our E&S segment produced \$54 million of underwriting profit and achieved a 91.1% combined ratio for 2023. We continue to see strong momentum in our E&S business and achieved rate increases of 10% for the full year.

In our Specialty Admitted segment, fronting and program business increased 10% in 2023, excluding the impact of workers' compensation. Overall, we grew gross written premiums by 2.3% despite the significant repositioning of the portfolio. The combined ratio for the segment was 95.9% for the full year. Overall, gross written premium from continuing operations ended 2023 at \$1.5 billion, an increase of 6.9% over the prior year. Net earned premium grew by 12.4%, reflecting changes in retention across our business as we produced a combined ratio of 96.5%.

Lastly, our investment performance was strong in 2023 with the portfolio producing a total return of 7.1% and \$84 million of net investment income from continuing operations. Investment income continues to show strong growth and contributions to the bottom line as we benefit from higher interest rates. While we are proud of the strides we have made during 2023 to continue to advance the organization and position it for future success, we are certainly disappointed that we did not achieve our return expectations for the year. We believe the actions we have taken will produce more consistent returns going forward, and Sarah will speak to our outlook for 2024 in just a few minutes.

Now, turning to our fourth quarter results. We reported adjusted net operating income of \$12.4 million or \$0.33 per share. Our operating return on tangible common equity ex-AOCI was 10.2% for the quarter. In our E&S segment, gross written premiums increased 12.1%, with most of our underwriting divisions reporting solid growth. Our manufacturers and contractors, general casualty, excess casualty and energy divisions led the segment in this category for the quarter.

Submission activity remained robust and continue to accelerate from recent quarters. As previously highlighted earlier, submissions increased 14% over the prior year quarter, an encouraging sign for both our new and renewal business. Several of our divisions, such as general casualty, manufacturers and contractors, sports and entertainment, and excess casualty experienced the strongest submission growth rate we have seen in the last four to five years, reflecting the strong set of opportunities that we're seeing in the market.

Pricing conditions also remain firm as we experienced renewal rate increases of 11% in the fourth quarter. Pricing across our casualty divisions was up 10.5% in the period as casualty rates have continued to strengthen throughout the year. Rate increases remain broad-based with the majority of our underwriting divisions achieving mid-single-digit to low-double-digit increases during both the quarter and the full year with no sign of weakening. Most importantly, rate increases have continued to come in significantly better than the assumptions in our loss picks and our view of expected loss trend.

Turning to underwriting performance. The E&S combined ratio was 94.2% during the fourth quarter and underwriting profit totaled \$8.9 million. Results for the quarter included \$25 million of adverse reserve development related to accident years 2015 to 2020 in the general casualty line. This is an area where we have recently observed some increased severity like much of the rest of the industry and determined that it was prudent to add to our reserve base in those years.

I would also like to take a few moments to provide additional detail on the reserving actions that we have taken this quarter as well as the pricing and underwriting actions we have implemented over the last few years. From 2020 to 2023, we achieved annual rate increases of 10% or better, compounding to more than 55% over this period, certainly ahead of our view of loss cost trends, which we believe to be in the mid- to high single-digits over the period.

In 2023, the effective rate change we recorded was several hundred basis points over the rate assumption we built into our business plan for the year. We believe that our conservative loss pick assumption allowed us to build additional reserve strength into our 2023 results. While 2024 is just getting started, so far, renewal rate recorded in January was comfortably in the double-digit range.

We have also made meaningful underwriting changes throughout the portfolio over the last three years, especially in general casualty. We have non-renewed our fraternity and sorority portfolio, significantly reduced our restaurant and hotel-motel books, introduced meaningful sub-limits to assault and battery exposed risks as well as firearm exclusions in our general casualty book and raised rates substantially in certain parts of the US, including the Southeast.

We have done this by adding substantial performance monitoring and underwriting oversight across our business while being quick to take action. Despite making these significant changes to our underwriting appetite, we had not reflected the benefit of taking such actions in our expected loss ratios for 2023, building further reserve strength in the accident year. And in spite of these changes, we've continued to grow prudently and profitably with meaningful rate.

Under the leadership of our outgoing Chief Actuary, Dave Gelinne, and that of our data-driven actuarial group, we undertook a deep and comprehensive actuarial review late in the year. At the same time, our internationally recognized third-party actuarial consultant's reviews were being completed.

Our actuarial study added additional frequency and severity methods that directly considered loss trends and, in many instances, we use the Company's own experience in determining these trend factors. In our analysis, we investigated for the presence of social inflation using methodologies from published actuarial research papers and have incorporated the findings in our assumptions.

As part of the review, we found that in our E&S segment, our general casualty reserves in the largely soft market years of 2015 to 2020 were not as robust as we thought they should be due to increased frequency of severity. However, at the same time, both our internal actuaries and our independent third-party actuaries had similar favorable views of our recent accident years as we continue to book higher loss picks while attaining rate in excess of loss trend. The results of these years have been encouraging as our 2023 accident year loss ratio of 61.9% is higher than both our internal actuarial indications as well as our third-party independent actuarial consultant's view.

Overall, we believe that the changes we have made to the portfolio, both in terms of rate and targeted underwriting actions have created a more profitable book going forward and leave us confident in our overall reserve adequacy. As I mentioned before, E&S marketing conditions remain attractive, characterized by strong rate increases in excess of expected loss trend, meaningful new and renewal submission growth and rational competition. We believe 2024 will continue to provide robust opportunities for profitable growth.

Turning to our Specialty Admitted segment. During the fourth quarter, we grew fronting and program gross premiums by 12.5%, excluding the impact of workers' compensation. Overall, gross premiums for the segment declined 1.7% due to lower workers' compensation premiums compared to the prior year quarter. Our new and existing programs continue to gain scale and benefit from positive rate change in the market. Underwriting profit for the fourth quarter was \$2.2 million with a combined ratio of 92.2%.

To summarize, 2023 was a year of executing on our strategic priorities and positioning the organization for the future. I'm pleased with the progress we continue to achieve, which could not be possible without the dedicated employees of James River. We remain focused on our core strengths and are well positioned to take advantage of attractive market conditions throughout 2024. As a bottom line-focused organization, we will continue to deploy our capital on resources where we can achieve consistent and attractive returns for shareholders.

And with that, I'll turn the call over to Sarah Doran.

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**Sarah Casey Doran** - James River Group Holdings, Ltd. - CFO

Thanks very much, Frank, and good morning, everyone, and thank you for joining us this morning. Our accounting and presentation generally is a bit different this quarter, given that we are reporting our former Casualty Reinsurance segment as discontinued operations and held for sale. As Frank mentioned, all regulatory approvals for the sale are in hand and we expect to close the sale of the JRG Re entity, which supported the segment shortly.

As part of that, all income and loss from the segment, including investment income flows through discontinued operations for all periods presented. More importantly, as we move the organization forward, income from continuing operations is representative of the E&S and Specialty Admitted insurance businesses, which remain.

For the fourth quarter, we're reporting adjusted net operating income of \$0.33 per share compared to \$0.44 per share in the prior year quarter. Tangible book value per common share was \$9.05 at year-end and adjusted for dividends has decreased about 2.7% from the start of the year. The decline is entirely due to the loss on sale and loss from discontinued operations, which included a \$53.2 million loss to reclassify the fixed maturity securities on the JRG Re rebalance sheet as held for sale. We believe we took a decisive move in addressing our general casualty reserves.

As Frank highlighted, we've made significant underwriting changes to the book since 2020 and have added 37% of rate compounded since 2021, meaningfully in excess of our plan and trends. Our business is small and medium account focused and without meaningful concentrations. We believe our E&S current accident year loss ratio for 2023 of 61.9% is a healthy loss pick that may not fully reflect the level of rate increases we accomplished in 2023 in excess of our pricing assumptions and as Frank mentioned, our external third-party actuarial views support this belief.

Our group combined ratio was 98.1% for the quarter and 96.5% for the year. While not what we set out to accomplish return-wise and well below our expectations for the year ahead, our business is well positioned. We've seen strong growth amid portfolio management, supported by rate, scale and an efficient reinsurance structure. Our consolidated loss ratio increased 7.5 points quarter-over-quarter, the majority or 5.5 points due to the adverse development in E&S and the balance due to the \$4.1 million of reinstatement premiums we experienced during the fourth quarter.

Our expense ratio across the group for the fourth quarter was an efficient 24.2%, an increase of 2.2 points over the prior year quarter, but an improvement of 2.2 points over the third quarter of 2023. For the full year, our expense ratio was 26.6% compared to 23.6% for the full year 2022. The increase over prior year is partially due to increased compensation at E&S, where we added staffing to support growth and also due to the change in our reinsurance treaty structure at E&S.

At our mid-summer 2023 E&S reinsurance renewal, we changed our structure to better mitigate volatility and also to remove the reinstatement premium feature going forward. We purchased a quota share across most of the E&S divisions as well as retain our excessive loss structure. This has pushed down our retention in E&S to 58.5% for the year and 53.3% for the quarter.

Backing out the reinstatement premium for the year and quarter, E&S retention would be 60.1% and 54.8%, respectively. For the last six months of 2023, subsequent to the midyear changes in our reinsurance structure, our net retention for E&S was 54.8% or 55.6%, including the impact of the reinstatement premium in the fourth quarter. Most importantly, we believe that a net retention rate in this 55% to 60% range is a reasonable run rate going forward.

Regarding investments, we recorded record net investment income of \$25.6 million from continuing operations during the fourth quarter. NII grew 67% from the prior year quarter and 17.4% from the sequential quarter. Reinvestment rates in our core fixed income portfolio have come down since the fourth quarter but remain attractive in the mid- to low 5% range.

We expect to continue to have the opportunity to invest operating and portfolio cash flow at yields in excess of our average book yield for the fourth quarter, which was 4.5%. We saw significant unrealized gains across asset classes during the fourth quarter, which contributed to a total return of 5.3% for the portfolio. As Frank mentioned, for the full year, we achieved a total return of 7.1%, a strong result in a volatile market.

A few comments about our outlook for 2024. We believe that we are very well positioned for a high-teen return on tangible common equity. We expect to continue to benefit from robust E&S conditions in particular, as we have over the last few years. We believe following the strategic actions of 2023 that we are much better positioned strategically with our focus on two attractive scaled insurance businesses.

We believe our balance sheet is well positioned to support continued attractive growth and with our continued portfolio management, strong rate environment and submission growth that we will continue to build strength.

And regarding our group expense ratio, we expect it to be closer to the 26.6% we delivered in 2023 due to our business mix and our changes in retention strategy as mentioned. And lastly, I just wanted to confirm, as written in the press release that we have fully remediated the material weakness in internal controls that we reported last quarter, and I could not be more grateful to our finance team and all the work that they've done over the last many months to get us to today.

With that, we'll turn the call back over to the operator to open the line for questions.

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## QUESTIONS AND ANSWERS

### Operator

The floor is now open for your questions. (Operator Instructions)

Mark Hughes, Truist.

**Mark Douglas Hughes** - *Truist Securities, Inc. - Analyst*

Yes, thank you. Good morning. Sarah, could you talk about the capital situation, kind of what is the right leverage for the business or kind of, dealing that you would underwrite at? And what sort of growth you can still generate from here with your current balance sheet?

**Sarah Casey Doran** - *James River Group Holdings, Ltd. - CFO*

Sure. Good question. We don't feel restrained on growth, having delivered in this kind of low double-digit growth number for the last few years, Mark. I would say with our business and in the little exposure that we have to property on one hand as well as the significant amount of third-party reinsurance business that we buy and have bought for many years, we're very comfortable at an operating leverage number around 1.5, even slightly higher than that. And we certainly expect to continue to build capital more rapidly over the course of the next few quarters through retained earnings, obviously, having shed the volatility that the capital -- the casualty reinsurance business was adding and the significant capital support that was required due to the reserves in that business.

**Mark Douglas Hughes** - *Truist Securities, Inc. - Analyst*

And then any latest thoughts on tax rate?

**Sarah Casey Doran** - *James River Group Holdings, Ltd. - CFO*

Yes. Great question. We would expect we will still have the Bermuda holding company post the close of JRG Re. So, there'll be a little bit of tax friction there. But I would expect our tax rate over the course of the year to largely approximate the US statutory rate.

**Mark Douglas Hughes** - *Truist Securities, Inc. - Analyst*

Understood. In the '21 to '23 accident years, it sounds like your pricing is well ahead of loss costs. Have you seen any kind of change in the trend, though, maybe in looking at some of your peers, details? You do see some signs of inflation even in some of these recent acts in the years. I wonder if you have any observations about whether the -- you've seen some change in trend or what you spotted or you concluded when you did this deeper dive on your older accident years?

**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Mark, so we have typically relied on ISO-based industry loss trends for the actuarial assumptions around trend. And as we mentioned in previous quarters, we made some specific increases to our view of loss cost trend closer to a high single-digit viewpoint for 2023 and then at that time, certainly felt prudent just given the uncertainty in the inflationary environment and the nature of our portfolio. We went through a similar process in the fourth quarter of '23 relative to how we thought about '24, again, relying heavily on the ISO-based industry loss trends, which do reflect some moderation in inflation.

The changes though really vary by line. So, some lines of business will have increases between 2023 to 2024, like a line like commercial auto. Some may be slightly lower, some of the kind of smaller business lines, for instance, Overall, our loss trend assumptions changed by less than 1 point across the segment, but we also then refreshed our view of exposure trend as well. And that changed also by less than 1 point. I know you know they've got a bit of an offsetting relationship between exposure trend and loss trend. But the net sum of the change relative to the view that we have is that trend for '24 is moving less than half a point in total.

**Mark Douglas Hughes** - *Truist Securities, Inc. - Analyst*

Very good. Thank you.

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**Operator**

Brian Meredith, UBS.

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**Brian Robert Meredith** - *UBS Investment Bank, Research Division - Analyst*

I'm just curious, was there any consideration or thoughts about buying an adverse development cover just to kind of try to put some of the prior year reserving stuff to bed?

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**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Hi, Brian, so let me start by saying that we are booked now in excess of our own internal actuaries view of the reserves and right in line with our third-party opining actuaries. We're all -- I think the Company has over its history has shown that it's been open to exploring those types of transactions. But at this point, like I said, we're pretty comfortable with the reserve position.

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**Brian Robert Meredith** - *UBS Investment Bank, Research Division - Analyst*

And then if I could, just curious, growth pretty strong in the E&S segment in the quarter. I guess, given what's going on in my experience is that when you get stuff like a strategic review going on, those types of things, companies can be subject to adverse selection issues. How are you preventing that? How are you kind of ensuring that that's not happening?

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**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Yes. No, I appreciate the question, Brian. I would say I think it's highly unlikely and I'll tell you why. First off, our premium renewal retention for the quarter was 69.8% versus 67.1% for the full year. So, we actually retained a higher percentage of our renewal clients in Q4. That business that we know that has been with us at least a year and in most instances, several years, just by the nature of renewal business. So, we know the business and the underlying exposures very well.

And by definition, renewal business would have been introduced to James River certainly before we announced the strategic review. But I would say, just as importantly, we've had stewardship discussions with all of our major trading partners. I participated in many of them. Firms that we've been trading with for 20 years, and they have all confirmed that we're still a very key and important market for them. Nothing has changed.

And just to give you some further context here, we don't get new producers approaching as kind of all street, you need to have an appointment with James River. So again, it kind of speaks to the fact that we've been trading with the people that are providing these submissions to us for many years. And I guess I would say the last point I'd make is we still control our underwriting decisions and certainly haven't relaxed any type of underwriting guidelines or authorities just because of the review that we've announced. So, I appreciate the thought process, certainly, but I think we're well protected against that.

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**Brian Robert Meredith** - *UBS Investment Bank, Research Division - Analyst*

And then my last question, I mean the other thing too, when stuff like this is going on, it can have an effect on the employees. What are you doing and what's happening with respect to kind of retention of kind of key employees? And what does your employee retention look like?



**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Yes. Good question, Brian. So right now, we just tried to increase certainly communication with the overall staff. We're watching retention very closely, trying to be flexible just relative to our work environment and making sure people understand what's going on with the strategic review, what it means and what it doesn't mean. So, I look at it on a monthly basis and monitor it very closely. I think the company has done a good job of putting retentions in place, not just in the last couple of months per se since the events of Q3, but over the last couple of years as well to really kind of identify the next wave of leadership at James River and make sure they know how the organization feels about them. So, it's definitely a point that we speak about a lot as a management team and with our Board.

**Brian Robert Meredith** - *UBS Investment Bank, Research Division - Analyst*

Great. Thank you.

**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Thanks, Brian.

**Operator**

Meyer Shields, KBW.

**Meyer Shields** - *Keefe, Bruyette, & Woods, Inc. - Analyst*

Great, thanks, and good morning. Just a couple of questions. First, I guess, Frank, when you talk about the various underwriting changes that have been made in the book, I understand that those would lower loss exposure. What's the impact on loss trend for the business that you're still writing compared to lose on older line?

**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

The impact on loss trend for the business that we're still writing?

**Meyer Shields** - *Keefe, Bruyette, & Woods, Inc. - Analyst*

Right. The loss trend of both these changes lower than the proceeding book?

**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

So again, we look at loss trend on an annual basis, stay very close to it and have just finished our analysis relative to our view for '24. I would say there's nominal change on the portfolio overall, like I said, the net sum of our change in view from '23 to '24 for both loss trend as well as exposure trend is less than 0.5 point and that would certainly include the product lines that you're talking about.

**Meyer Shields** - *Keefe, Bruyette, & Woods, Inc. - Analyst*

This is a little bit of an impatient question before we get the 10-K, but I was hoping to get the updated E&S accident year loss ratio for 2020 outlook right now.

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**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Meyer, I just want to make sure we're answering your question correctly, the updated --

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**Meyer Shields** - *Keefe, Bruyette, & Woods, Inc. - Analyst*

Loss ratio for 2020. Would you talk about the cumulative rate impact. And I'm just wondering what the number is that's analogous to 61.9% for 2020 basis.

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**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

For 2020, the updated loss ratio is 60.4%.

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**Meyer Shields** - *Keefe, Bruyette, & Woods, Inc. - Analyst*

And then last question on the outlook side. So I guess, Sarah, how should we think about the net to gross ratio in Specialty Admitted in 2024?

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**Sarah Casey Doran** - *James River Group Holdings, Ltd. - CFO*

Yes. That's a good question, Meyer. I think it would be -- we've talked about this business a lot. Obviously, it's fairly lumpy in terms of what's on the come, et cetera. I think it's -- the fourth quarter retention is a very solid place to start when I think about what we have in the pipeline and what the plan is for 2024.

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**Meyer Shields** - *Keefe, Bruyette, & Woods, Inc. - Analyst*

Okay, perfect. Thanks so much.

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**Sarah Casey Doran** - *James River Group Holdings, Ltd. - CFO*

Thanks for the questions.

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**Operator**

(Operator Instructions) There are no further questions at this time. Mr. Frank D'Orazio, I'll turn the call back over to you.

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**Frank N. D'Orazio** - *James River Group Holdings, Ltd. - CEO*

Thank you. I want to thank everyone for their time today and for the questions we received this morning. We look forward to speaking with you all again in a matter of a few weeks to discuss our first quarter results. Thank you and enjoy the rest of your day.

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**Operator**

This concludes today's conference call. You may now disconnect.

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