UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark one)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended September 30, 2024

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.**

For the Transition Period from __________ to __________.

Commission File Number 1-15202

W. R. BERKLEY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**22-1867895**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

475 Steamboat Road	**Greenwich**	**Connecticut**	**06830**
(Address of principal executive offices)			(Zip Code)

(203) 629-3000

(Registrant's telephone number, including area code)

None

Former name, former address and former fiscal year, if changed since last report.

Securities registered pursuant to Section 12(b) of the Act:

Title	Trading Symbol	Name
Common Stock, par value $.20 per share	WRB	New York Stock Exchange
5.700% Subordinated Debentures due 2058	WRB-PE	New York Stock Exchange
5.100% Subordinated Debentures due 2059	WRB-PF	New York Stock Exchange
4.250% Subordinated Debentures due 2060	WRB-PG	New York Stock Exchange
4.125% Subordinated Debentures due 2061	WRB-PH	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock, $.20 par value, outstanding as of October 28, 2024: 381,069,120

TABLE OF CONTENTS

Part I — FINANCIAL INFORMATION
- Item 1. Financial Statements
- Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
- Item 3. Quantitative and Qualitative Disclosure About Market Risk
- Item 4. Controls and Procedures

PART II — OTHER INFORMATION
- Item 1. Legal Proceedings
- Item 1A. Risk Factors
- Item 2. Unregistered Sales of Equity Securities and Use of Proceeds
- Item 5. Other Information
- Item 6. Exhibits

SIGNATURES
EX-10.1
EX-31.1
EX-31.2
EX-32.1
EX-101 INSTANCE DOCUMENT
EX-101 SCHEMA DOCUMENT
EX-101 CALCULATION LINKBASE DOCUMENT
EX-101 LABELS LINKBASE DOCUMENT
EX-101 PRESENTATION LINKBASE DOCUMENT
EX-101 DEFINITION LINKBASE DOCUMENT

Part I — FINANCIAL INFORMATION

Item 1. Financial Statements

W. R. BERKLEY CORPORATION AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Assets		
Investments:		
Fixed maturity securities (amortized cost of $23,003,148 and $20,915,245; allowance for expected credit losses of $6,983 and $36,751 at September 30, 2024 and December 31, 2023, respectively)	$ 22,663,878	$ 20,178,308
Investment funds	1,607,381	1,621,655
Real estate	1,297,314	1,249,874
Equity securities	1,048,126	1,090,347
Arbitrage trading account	820,928	938,049
Loans receivable (net of allowance for expected credit losses of $1,425 and $3,004 at September 30, 2024 and December 31, 2023, respectively)	389,869	201,271
Total investments	27,827,496	25,279,504
Cash and cash equivalents	1,573,238	1,363,195
Premiums and fees receivable (net of allowance for expected credit losses of $38,071 and $35,110 at September 30, 2024 and December 31, 2023, respectively)	3,414,385	3,109,334
Due from reinsurers (net of allowance for expected credit losses of $8,332 and $8,404 at September 30, 2024 and December 31, 2023, respectively)	3,478,354	3,534,527
Deferred policy acquisition costs	957,997	861,609
Prepaid reinsurance premiums	830,797	758,927
Trading account receivables from brokers and clearing organizations	410,756	303,614
Property, furniture and equipment	478,361	426,803
Goodwill	184,089	174,597
Accrued investment income	234,084	213,408
Current and deferred federal and foreign income taxes	131,209	220,756
Other assets	838,532	865,556
Total assets	$ 40,359,298	$ 37,111,830
Liabilities and Equity		
Liabilities:		
Reserves for losses and loss expenses	$ 20,155,310	$ 18,739,652
Unearned premiums	6,489,597	5,922,326
Due to reinsurers	727,074	631,164
Trading account securities sold but not yet purchased	36,093	9,357
Other liabilities	1,674,405	1,503,053
Senior notes and other debt	1,827,788	1,827,951
Subordinated debentures	1,009,629	1,009,090
Total liabilities	31,919,896	29,642,593
Equity:		
Preferred stock, par value $.10 per share:		
Authorized 5,000,000 shares; issued and outstanding - none	—	—
Common stock, par value $.20 per share:		
Authorized 1,250,000,000 shares; issued and outstanding, net of treasury shares, 381,189,906 and 384,817,136 shares, respectively	158,705	158,705
Additional paid-in capital	973,032	964,789
Retained earnings	11,909,408	11,040,908
Accumulated other comprehensive loss	(603,144)	(925,838)
Treasury stock, at cost, 412,331,903 and 408,704,807 shares, respectively	(4,011,737)	(3,783,133)
Total stockholders' equity	8,426,264	7,455,431
Noncontrolling interests	13,138	13,806
Total equity	8,439,402	7,469,237
Total liabilities and equity	$ 40,359,298	$ 37,111,830

See accompanying notes to interim consolidated financial statements.

W. R. BERKLEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
(In thousands, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
REVENUES:				
Net premiums written	$ 3,057,276	$ 2,848,459	$ 9,035,346	$ 8,234,799
Change in net unearned premiums	(130,453)	(206,545)	(497,761)	(548,726)
Net premiums earned	2,926,823	2,641,914	8,537,585	7,686,073
Net investment income	323,756	270,944	1,015,723	739,494
Net investment (losses) gains:				
Net realized and unrealized (losses) gains on investments	(23,362)	(40,855)	(72,165)	50,403
Change in allowance for expected credit losses on investments	15,276	(1,571)	31,347	(11,164)
Net investment (losses) gains	(8,086)	(42,426)	(40,818)	39,239
Revenues from non-insurance businesses	128,610	137,116	375,307	375,225
Insurance service fees	28,666	22,962	81,583	81,290
Other income	610	128	1,804	235
Total revenues	3,400,379	3,030,638	9,971,184	8,921,556
OPERATING COSTS AND EXPENSES:				
Losses and loss expenses	1,825,960	1,636,193	5,270,334	4,744,602
Other operating costs and expenses	943,365	808,669	2,704,890	2,457,925
Expenses from non-insurance businesses	124,885	133,939	364,612	370,244
Interest expense	31,720	31,888	95,156	95,580
Total operating costs and expenses	2,925,930	2,610,689	8,434,992	7,668,351
Income before income taxes	474,449	419,949	1,536,192	1,253,205
Income tax expense	(109,135)	(86,519)	(356,958)	(268,322)
Net income before noncontrolling interests	365,314	333,430	1,179,234	984,883
Noncontrolling interests	320	156	780	(863)
Net income to common stockholders	$ 365,634	$ 333,586	$ 1,180,014	$ 984,020
NET INCOME PER SHARE:				
Basic	$ 0.92	$ 0.83	$ 2.95	$ 2.41
Diluted	$ 0.91	$ 0.82	$ 2.92	$ 2.39

See accompanying notes to interim consolidated financial statements.

W. R. BERKLEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(In thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Net income before noncontrolling interests	$ 365,314	$ 333,430	$ 1,179,234	$ 984,883
Other comprehensive income (loss):				
Change in unrealized currency translation adjustments	49,503	(22,781)	25,160	(7,387)
Change in unrealized investment gains (losses), net of taxes	380,993	(118,365)	297,533	(50,850)
Other comprehensive income (loss)	430,496	(141,146)	322,693	(58,237)
Comprehensive income	795,810	192,284	1,501,927	926,646
Noncontrolling interests	320	156	779	(862)
Comprehensive income to common stockholders	$ 796,130	$ 192,440	$ 1,502,706	$ 925,784

See accompanying notes to interim consolidated financial statements.

W. R. BERKLEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(In thousands, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
COMMON STOCK:				
Beginning and end of period	$ 158,705	$ 158,705	$ 158,705	$ 158,705
ADDITIONAL PAID-IN CAPITAL:				
Beginning of period	$ 986,892	$ 967,916	$ 964,789	$ 944,632
Restricted stock units issued	(26,930)	(25,226)	(30,075)	(25,228)
Restricted stock units expensed	13,070	12,709	38,318	35,995
End of period	$ 973,032	$ 955,399	$ 973,032	$ 955,399
RETAINED EARNINGS:				
Beginning of period	$ 11,669,567	$ 10,624,518	$ 11,040,908	$ 10,161,005
Net income to common stockholders	365,634	333,586	1,180,014	984,020
Dividends ($0.33, $0.41, $0.81 and $0.88 per share, respectively)	(125,793)	(157,407)	(311,514)	(344,328)
End of period	$ 11,909,408	$ 10,800,697	$ 11,909,408	$ 10,800,697
ACCUMULATED OTHER COMPREHENSIVE LOSS:				
Unrealized investment losses:				
Beginning of period	$ (669,813)	$ (825,391)	$ (586,354)	$ (892,905)
Change in unrealized gains (losses) on securities without an allowance for expected credit losses	369,827	(108,121)	293,064	(47,757)
Change in unrealized gains (losses) on securities with an allowance for expected credit losses	11,166	(10,244)	4,470	(3,094)
End of period	(288,820)	(943,756)	(288,820)	(943,756)
Currency translation adjustments:				
Beginning of period	(363,827)	(356,282)	(339,484)	(371,676)
Net change in period	49,503	(22,781)	25,160	(7,387)
End of period	(314,324)	(379,063)	(314,324)	(379,063)
Total accumulated other comprehensive loss	$ (603,144)	$ (1,322,819)	$ (603,144)	$ (1,322,819)
TREASURY STOCK:				
Beginning of period	$ (4,007,742)	$ (3,682,281)	$ (3,783,133)	$ (3,251,429)
Stock exercised/vested	8,164	8,469	9,488	9,461
Stock repurchased	(12,480)	(2,917)	(236,243)	(430,536)
Other	321	326	(1,849)	(3,899)
End of period	$ (4,011,737)	$ (3,676,403)	$ (4,011,737)	$ (3,676,403)
NONCONTROLLING INTERESTS:				
Beginning of period	$ 13,269	$ 21,167	$ 13,806	$ 19,829
Contributions (distribution)	189	(6,681)	111	(6,361)
Net (loss) income	(320)	(156)	(780)	863
Other comprehensive income (loss), net of tax	—	—	1	(1)
End of period	$ 13,138	$ 14,330	$ 13,138	$ 14,330

See accompanying notes to interim consolidated financial statements.

W. R. BERKLEY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In thousands)

	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
CASH FROM OPERATING ACTIVITIES:		
Net income to common stockholders	$ 1,180,014	$ 984,020
Adjustments to reconcile net income to net cash from operating activities:		
Net investment losses (gains)	40,818	(39,239)
Depreciation and (accretion) amortization	(156,993)	3,294
Noncontrolling interests	(780)	863
Investment funds	(868)	(5,444)
Stock incentive plans	40,319	37,796
Change in:		
Arbitrage trading account	36,714	(41,399)
Premiums and fees receivable	(311,827)	(340,056)
Reinsurance accounts	85,226	(194,610)
Deferred policy acquisition costs	(94,393)	(93,270)
Income taxes	16,825	49,722
Reserves for losses and loss expenses	1,402,623	1,288,975
Unearned premiums	569,416	608,300
Other	61,241	(27,790)
Net cash from operating activities	2,868,335	2,231,162
CASH USED IN INVESTING ACTIVITIES:		
Proceeds from sale of fixed maturity securities	1,688,623	877,019
Proceeds from sale of equity securities	288,366	161,470
Distributions from investment funds	15,533	8,385
Proceeds from maturities and prepayments of fixed maturity securities	3,483,326	2,654,140
Purchase of fixed maturity securities	(7,177,379)	(5,091,866)
Purchase of equity securities	(186,382)	(63,815)
Real estate purchased	(66,813)	(15,158)
Change in loans receivable	(173,548)	12,796
Net purchases of property, furniture and equipment	(91,670)	(42,127)
Change in balances due to security brokers	122,519	8,224
Cash received in connection with business disposition	—	94,076
Other	—	320
Net cash used in investing activities	(2,097,425)	(1,396,536)
CASH USED IN FINANCING ACTIVITIES:		
Repayment of senior notes and other debt	(240)	(1,954)
Net proceeds from issuance of debt	—	1,100
Cash dividends to common stockholders	(311,514)	(186,921)
Purchase of common treasury shares	(236,243)	(430,536)
Other, net	(13,944)	(20,545)
Net cash used in financing activities	(561,941)	(638,856)
Net impact on cash due to change in foreign exchange rates	1,074	959
Net change in cash and cash equivalents	210,043	196,728
Cash and cash equivalents at beginning of period	1,363,195	1,449,346
Cash and cash equivalents at end of period	$ 1,573,238	$ 1,646,074

See accompanying notes to interim consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(1) General

The unaudited consolidated financial statements, which include the accounts of W. R. Berkley Corporation and its subsidiaries (the "Company"), have been prepared on the basis of U.S. generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all the information and notes required by GAAP for annual financial statements. The unaudited consolidated financial statements reflect all adjustments, consisting only of normal recurring items, which are necessary to present fairly the Company's financial position and results of operations on a basis consistent with the prior audited consolidated financial statements. Operating results for interim periods are not necessarily indicative of the results that may be expected for the year. All significant intercompany accounts and transactions have been eliminated.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the revenues and expenses reflected during the reporting period. For further information related to areas of judgment and estimates and other information necessary to understand the Company's financial position and results of operations, refer to the audited consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Reclassifications have been made in the 2023 financial statements as originally reported to conform to the presentation of the 2024 financial statements. The Company reclassified a program management business from the Insurance segment to the Reinsurance & Monoline Excess segment. The reclassified business is a program management business offering support on a nationwide basis for commercial casualty and property program administrators. In addition, share and per share amounts have been adjusted to reflect the 3-for-2 common stock split effected on July 10, 2024.

The income tax provision has been computed based on the Company's estimated annual effective tax rate. The effective income tax rate differs from the federal income tax rate of 21% primarily due to the geographical mix of earnings and larger amounts being subject to tax at a rate greater than the U.S. statutory rate, which was partially offset by tax benefits related to equity-based compensation and tax-exempt investment income.

(2) Per Share Data

The Company presents both basic and diluted net income per share ("EPS") amounts. Basic EPS is calculated by dividing net income by the weighted average number of common shares outstanding during the period (including 17,495,175 and 17,125,284 common shares held in a grantor trust as of September 30, 2024 and 2023, respectively). The common shares held in the grantor trust are for delivery upon settlement of vested but mandatorily deferred restricted stock units ("RSUs"). Shares held by the grantor trust do not affect diluted shares outstanding since the shares deliverable under vested RSUs were already included in diluted shares outstanding. Diluted EPS is based upon the weighted average number of basic and common equivalent shares outstanding during the period and is calculated using the treasury stock method for stock incentive plans. Common equivalent shares are excluded from the computation in periods in which they have an anti-dilutive effect.

The weighted average number of common shares used in the computation of basic and diluted earnings per share was as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(In thousands)	**2024**	**2023**	**2024**	**2023**
Basic	398,338	403,787	400,302	407,484
Diluted	401,817	407,158	404,053	411,219

(3) Recent Accounting Pronouncements and Accounting Policies

Recently adopted accounting pronouncements:

All accounting and reporting standards that became effective in 2024 were either not applicable to the Company or their adoption did not have a material impact on the Company.

Accounting and reporting standards that are not yet effective:

All recently issued but not yet effective accounting and reporting standards are either not applicable to the Company or are not expected to have a material impact on the Company.

(4) Consolidated Statements of Comprehensive Income (Loss)

The following table presents the components of the changes in accumulated other comprehensive income (loss) ("AOCI"):

(In thousands)	Unrealized Investment (Losses) Gains	Currency Translation Adjustments	Accumulated Other Comprehensive Income (Loss)
As of and for the nine months ended September 30, 2024			
Changes in AOCI			
Beginning of period	$ (586,354)	$ (339,484)	$ (925,838)
Other comprehensive income before reclassifications	218,087	25,160	243,247
Amounts reclassified from AOCI	79,446	—	79,446
Other comprehensive income	297,533	25,160	322,693
Unrealized investment gain related to noncontrolling interest	1	—	1
End of period	$ (288,820)	$ (314,324)	$ (603,144)
Amounts reclassified from AOCI			
Pre-tax	$ 100,565 (1)	$ —	$ 100,565
Tax effect	(21,119) (2)	—	(21,119)
After-tax amounts reclassified	$ 79,446	$ —	$ 79,446
Other comprehensive income			
Pre-tax	$ 370,831	$ 25,160	$ 395,991
Tax effect	(73,298)	—	(73,298)
Other comprehensive income	$ 297,533	$ 25,160	$ 322,693
As of and for the three months ended September 30, 2024			
Changes in AOCI			
Beginning of period	$ (669,813)	$ (363,827)	$ (1,033,640)
Other comprehensive income before reclassifications	374,110	49,503	423,613
Amounts reclassified from AOCI	6,883	—	6,883
Other comprehensive income	380,993	49,503	430,496
Unrealized investment gain to noncontrolling interest	—	—	—
Ending balance	$ (288,820)	$ (314,324)	$ (603,144)
Amounts reclassified from AOCI			
Pre-tax	$ 8,713 (1)	$ —	$ 8,713
Tax effect	(1,830) (2)	—	(1,830)
After-tax amounts reclassified	$ 6,883	$ —	$ 6,883
Other comprehensive income			
Pre-tax	$ 480,768	$ 49,503	$ 530,271
Tax effect	(99,775)	—	(99,775)
Other comprehensive income	$ 380,993	$ 49,503	$ 430,496

(In thousands)	Unrealized Investment (Losses) Gains	Currency Translation Adjustments	Accumulated Other Comprehensive (Loss) Income
As of and for the nine months ended September 30, 2023			
Changes in AOCI			
Beginning of period	$ (892,905)	$ (371,676)	$ (1,264,581)
Other comprehensive loss before reclassifications	(103,087)	(7,387)	(110,474)
Amounts reclassified from AOCI	52,237	—	52,237
Other comprehensive loss	(50,850)	(7,387)	(58,237)
Unrealized investment loss related to noncontrolling interest	(1)	—	(1)
End of period	$ (943,756)	$ (379,063)	$ (1,322,819)
Amounts reclassified from AOCI			
Pre-tax	$ 66,123 (1)	$ —	$ 66,123
Tax effect	(13,886) (2)	—	(13,886)
After-tax amounts reclassified	$ 52,237	$ —	$ 52,237
Other comprehensive loss			
Pre-tax	$ (62,476)	$ (7,387)	$ (69,863)
Tax effect	11,626	—	11,626
Other comprehensive income	$ (50,850)	$ (7,387)	$ (58,237)
As of and for the three months ended September 30, 2023			
Changes in AOCI			
Beginning of period	$ (825,391)	$ (356,282)	$ (1,181,673)
Other comprehensive loss before reclassifications	(133,018)	(22,781)	(155,799)
Amounts reclassified from AOCI	14,653	—	14,653
Other comprehensive loss	(118,365)	(22,781)	(141,146)
Unrealized investment loss related to noncontrolling interest	—	—	—
Ending balance	$ (943,756)	$ (379,063)	$ (1,322,819)
Amounts reclassified from AOCI			
Pre-tax	$ 18,548 (1)	$ —	$ 18,548
Tax effect	(3,895) (2)	—	(3,895)
After-tax amounts reclassified	$ 14,653	$ —	$ 14,653
Other comprehensive loss			
Pre-tax	$ (150,455)	$ (22,781)	$ (173,236)
Tax effect	32,090	—	32,090
Other comprehensive loss	$ (118,365)	$ (22,781)	$ (141,146)

(1) Net investment (losses) gains in the consolidated statements of income.
(2) Income tax expense in the consolidated statements of income.

(5) Statements of Cash Flows

Interest payments were $116,462,000 and $79,336,000 for the nine months ended September 30, 2024 and 2023, respectively. Income taxes paid were $271,739,000 and $180,000,000 for the nine months ended September 30, 2024 and 2023, respectively.

(6) Investments in Fixed Maturity Securities

At September 30, 2024 and December 31, 2023, investments in fixed maturity securities were as follows:

(In thousands)	Amortized Cost	Allowance for Expected Credit Losses (1)	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Carrying Value
September 30, 2024						
Held to maturity:						
State and municipal	$ 41,561	$ (30)	$ 1,944	$ —	$ 43,475	$ 41,531
Residential mortgage-backed	2,398	—	109	—	2,507	2,398
Total held to maturity	43,959	(30)	2,053	—	45,982	43,929
Available for sale:						
U.S. government and government agency	2,083,085	—	23,974	(36,074)	2,070,985	2,070,985
State and municipal:						
Special revenue	1,732,996	—	8,414	(51,652)	1,689,758	1,689,758
State general obligation	273,232	—	4,565	(7,375)	270,422	270,422
Pre-refunded	85,683	—	1,260	(90)	86,853	86,853
Corporate backed	168,276	—	1,847	(4,968)	165,155	165,155
Local general obligation	307,754	—	2,483	(6,123)	304,114	304,114
Total state and municipal	2,567,941	—	18,569	(70,208)	2,516,302	2,516,302
Mortgage-backed:						
Residential	2,736,493	—	31,527	(130,929)	2,637,091	2,637,091
Commercial	600,597	(52)	3,254	(2,918)	600,881	600,881
Total mortgage-backed	3,337,090	(52)	34,781	(133,847)	3,237,972	3,237,972
Asset-backed	4,118,052	(546)	26,592	(36,777)	4,107,321	4,107,321
Corporate:						
Industrial	3,980,058	—	55,042	(80,692)	3,954,408	3,954,408
Financial	3,326,838	—	54,929	(33,205)	3,348,562	3,348,562
Utilities	774,956	—	13,319	(13,877)	774,398	774,398
Other	774,274	—	4,715	(3,593)	775,396	775,396
Total corporate	8,856,126	—	128,005	(131,367)	8,852,764	8,852,764
Foreign government	1,996,895	(6,355)	23,701	(179,636)	1,834,605	1,834,605
Total available for sale	22,959,189	(6,953)	255,622	(587,909)	22,619,949	22,619,949
Total investments in fixed maturity securities	$ 23,003,148	$ (6,983)	$ 257,675	$ (587,909)	$ 22,665,931	$ 22,663,878

(1) Represents the amount of impairment that has resulted from credit-related factors. The change in the allowance for expected credit losses is recognized in the consolidated statements of income. Amount excludes unrealized losses relating to non-credit factors.

(In thousands)	Amortized Cost	Allowance for Expected Credit Losses (1)	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Carrying Value
December 31, 2023						
Held to maturity:						
State and municipal	$ 50,547	$ (43)	$ 3,132	$ —	$ 53,636	$ 50,504
Residential mortgage-backed	2,868	—	107	—	2,975	2,868
Total held to maturity	53,415	(43)	3,239	—	56,611	53,372
Available for sale:						
U.S. government and government agency	1,762,997	—	11,403	(57,669)	1,716,731	1,716,731
State and municipal:						
Special revenue	1,682,550	—	5,651	(82,006)	1,606,195	1,606,195
State general obligation	394,429	—	3,550	(16,405)	381,574	381,574
Pre-refunded	103,029	—	1,634	(185)	104,478	104,478
Corporate backed	166,873	(757)	696	(11,973)	154,839	154,839
Local general obligation	396,041	—	3,188	(11,893)	387,336	387,336
Total state and municipal	2,742,922	(757)	14,719	(122,462)	2,634,422	2,634,422
Mortgage-backed:						
Residential	1,773,206	—	12,780	(163,844)	1,622,142	1,622,142
Commercial	657,157	(158)	626	(13,312)	644,313	644,313
Total mortgage-backed	2,430,363	(158)	13,406	(177,156)	2,266,455	2,266,455
Asset-backed	4,252,883	(1,164)	8,527	(73,206)	4,187,040	4,187,040
Corporate:						
Industrial	3,679,219	(40)	24,312	(143,936)	3,559,555	3,559,555
Financial	2,838,220	(4,986)	14,681	(68,681)	2,779,234	2,779,234
Utilities	701,865	—	6,471	(23,412)	684,924	684,924
Other	635,975	—	1,605	(7,234)	630,346	630,346
Total corporate	7,855,279	(5,026)	47,069	(243,263)	7,654,059	7,654,059
Foreign government	1,817,386	(29,603)	15,865	(137,419)	1,666,229	1,666,229
Total available for sale	20,861,830	(36,708)	110,989	(811,175)	20,124,936	20,124,936
Total investments in fixed maturity securities	$ 20,915,245	$ (36,751)	$ 114,228	$ (811,175)	$ 20,181,547	$ 20,178,308

(1) Represents the amount of impairment that has resulted from credit-related factors. The change in the allowance for expected credit losses is recognized in the consolidated statements of income. Amount excludes unrealized losses relating to non-credit factors.

The following table presents the rollforward of the allowance for expected credit losses for held to maturity securities for the nine months ended September 30, 2024 and 2023:

(In thousands)	2024	2023
Allowance for expected credit losses, beginning of period	$ 43	$ 114
Change in expected credit losses	(13)	(66)
Allowance for expected credit losses, end of period	$ 30	$ 48

The following table presents the rollforward of the allowance for expected credit losses for held to maturity securities for the three months ended September 30, 2024 and 2023:

(In thousands)	2024	2023
Allowance for expected credit losses, beginning of period	$ 34	$ 53
Change in expected credit losses	(4)	(5)
Allowance for expected credit losses, end of period	$ 30	$ 48

The following table presents the rollforward of the allowance for expected credit losses for available for sale securities for the nine months ended September 30, 2024 and 2023:

	2024						2023					
(In thousands)	Foreign Government	Corporate	Mortgage-backed	Asset-backed	State and Municipal	Total	Foreign Government	Corporate	Mortgage-backed	Asset-backed	State and Municipal	Total
Balance, beginning of period	$ 29,603	$ 5,026	$ 158	$ 1,164	$ 757	$ 36,708	$ 32,633	$ 4,701	$ 18	$ —	$ —	$ 37,352
Change on securities for which credit losses were not previously recorded	347	—	1,701	—	—	2,048	—	942	1,766	1,444	821	4,973
Change on securities for which credit losses were previously recorded	(23,216)	(5,026)	(1,246)	(618)	(757)	(30,863)	3,538	134	316	58	—	4,046
Reduction due to disposals	(379)	—	(561)	—	—	(940)	—	(7)	—	—	—	(7)
Balance, end of period	$ 6,355	$ —	$ 52	$ 546	$ —	$ 6,953	$ 36,171	$ 5,770	$ 2,100	$ 1,502	$ 821	$ 46,364

During the nine months ended September 30, 2024, the Company decreased the allowance for expected credit losses for available for sale securities utilizing its credit loss assessment process and inputs used in its credit loss model, primarily due to improved pricing associated with foreign government securities and corporate securities. During the nine months ended September 30, 2023, the Company increased the allowance for expected credit losses for available for sale securities in part due to changes in economic assumptions utilized in its credit loss model, primarily affecting the financial services and real estate sectors, and an increase in unrealized loss related to the foreign government portfolio.

The following table presents the rollforward of the allowance for expected credit losses for available for sale securities for the three months ended September 30, 2024 and 2023:

	2024						2023					
(In thousands)	Foreign Government	Corporate	Mortgage-backed	Asset-backed	State and Municipal	Total	Foreign Government	Corporate	Mortgage-backed	Asset-backed	State and Municipal	Total
Balance, beginning of period	$ 19,469	$ —	$ 1,140	$ 889	$ 339	$ 21,837	$ 33,052	$ 8,867	$ 885	$ 1,444	$ —	$ 44,248
Change on securities for which credit losses were not previously recorded	47	—	—	—	—	47	—	756	905	—	821	2,482
Change on securities for which credit losses were previously recorded	(12,782)	—	(1,088)	(343)	(339)	(14,552)	3,119	(3,853)	310	58	—	(366)
Reduction due to disposals	(379)	—	—	—	—	(379)	—	—	—	—	—	—
Balance, end of period	$ 6,355	$ —	$ 52	$ 546	$ —	$ 6,953	$ 36,171	$ 5,770	$ 2,100	$ 1,502	$ 821	$ 46,364

During the three months ended September 30, 2024, the Company decreased the allowance for expected credit losses for available for sale securities utilizing its credit loss assessment process and inputs used in its credit loss model, primarily due to improved pricing associated with foreign government securities.

The amortized cost and fair value of fixed maturity securities at September 30, 2024, by contractual maturity, are shown below. Actual maturities may differ from contractual maturities because certain issuers may have the right to call or prepay obligations.

(In thousands)	Amortized Cost (1)	Fair Value
Due in one year or less	$ 1,910,941	$ 1,886,626
Due after one year through five years	9,907,127	9,724,883
Due after five years through ten years	4,282,838	4,283,690
Due after ten years	3,562,724	3,530,253
Mortgage-backed securities	3,339,488	3,240,479
Total	$ 23,003,118	$ 22,665,931

(1) Amortized cost is reduced by the allowance for expected credit losses of $30 thousand related to held to maturity securities.

At September 30, 2024 and December 31, 2023, there were no investments that exceeded 10% of common stockholders' equity, other than investments in United States government and government agency securities.

(7) Investments in Equity Securities

At September 30, 2024 and December 31, 2023, investments in equity securities were as follows:

		Gross Unrealized			
(In thousands)	Cost	Gains	Losses	Fair Value	Carrying Value
September 30, 2024					
Common stocks	$ 604,288	$ 157,761	$ (60,382)	$ 701,667	$ 701,667
Preferred stocks	345,265	10,921	(9,727)	346,459	346,459
Total	$ 949,553	$ 168,682	$ (70,109)	$ 1,048,126	$ 1,048,126
December 31, 2023					
Common stocks	$ 664,997	$ 191,806	$ (18,749)	$ 838,054	$ 838,054
Preferred stocks	284,335	3,075	(35,117)	252,293	252,293
Total	$ 949,332	$ 194,881	$ (53,866)	$ 1,090,347	$ 1,090,347

(8) Arbitrage Trading Account

At September 30, 2024 and December 31, 2023, the fair and carrying values of the arbitrage trading account were $821 million and $938 million, respectively. The primary focus of the trading account is merger arbitrage. Merger arbitrage is the business of investing in the securities of publicly held companies which are the targets in announced tender offers and mergers. Arbitrage investing differs from other types of investing in its focus on transactions and events believed likely to bring about a change in value over a relatively short time period (usually four months or less).

The Company uses put options and call options in order to mitigate the impact of potential changes in market conditions on the merger arbitrage trading account. These options are reported at fair value. As of September 30, 2024, the fair value of long option contracts outstanding was $6 million (notional amount of $340 million) and the fair value of short option contracts was $36 million (notional amount of $340 million). Other than with respect to the use of these trading account securities, the Company does not make use of derivatives.

(9) Net Investment Income

Net investment income consisted of the following:

(In thousands)	For the Three Months Ended September 30, 2024	2023	For the Nine Months Ended September 30, 2024	2023
Investment income (loss) earned on:				
Fixed maturity securities, including cash and cash equivalents and loans receivable	$ 295,272	$ 239,727	$ 954,655	$ 653,200
Arbitrage trading account (1)	17,869	17,876	52,562	53,168
Equity securities	12,203	12,714	35,924	41,714
Investment funds	4,741	4,450	868	5,444
Real estate	(3,711)	(1,986)	(20,579)	(7,821)
Gross investment income	326,374	272,781	1,023,430	745,705
Investment expense	(2,618)	(1,837)	(7,707)	(6,211)
Net investment income	$ 323,756	$ 270,944	$ 1,015,723	$ 739,494

(1) Net investment income includes earnings from trading account receivables from brokers and clearing organizations.

(10) Investment Funds

The Company evaluates whether it is an investor in a variable interest entity ("VIE"). Such entities do not have sufficient equity at risk to finance their activities without additional subordinated financial support, or the equity investors, as a group, do not have the characteristics of a controlling financial interest (primary beneficiary). The Company determines whether it is the primary beneficiary of an entity subject to consolidation based on a qualitative assessment of the VIE's capital structure, contractual terms, nature of the VIE's operations and purpose, and the Company's relative exposure to the related risks of the VIE on the date it becomes initially involved in the VIE and on an ongoing basis. The Company is not the primary beneficiary in any of its investment funds, and accordingly, carries its interests in investment funds under the equity method of accounting.

The Company’s maximum exposure to loss with respect to these investments is limited to the carrying amount reported on the Company’s consolidated balance sheet and its unfunded commitments, which were $248 million as of September 30, 2024.

Investment funds consisted of the following:

(In thousands)	Carrying Value as of September 30, 2024	Carrying Value as of December 31, 2023	Income (Loss) from Investment Funds For the Nine Months Ended September 30, 2024	2023
Financial services	$ 460,264	$ 433,407	$ (16,908)	$ (15,606)
Transportation	300,937	344,278	962	37,894
Real Estate	190,318	201,625	11,471	(5,062)
Infrastructure	146,936	130,589	12,730	7,813
Energy	131,113	114,794	9,473	3,921
Other funds	377,813	396,962	(16,860)	(23,516)
Total	$ 1,607,381	$ 1,621,655	$ 868	$ 5,444

The Company's share of the earnings or losses from investment funds is generally reported on a one-quarter lag in order to facilitate the timely completion of the Company's consolidated financial statements.

Financial services investment funds include the minority investment in Lifson Re, a Bermuda reinsurance company. Effective January 1, 2021, Lifson Re participated on a fully collateralized basis in a majority of the Company’s reinsurance placements for a 22.5% share of placed amounts. The percentage increased from 22.5% to 30.0% effective July 1, 2022. This pertains to all traditional reinsurance/retrocessional placements for both property and casualty business where there is more than one open market reinsurer participating. For the nine months ended September 30, 2024 and 2023, the Company ceded approximately $315 million and $348 million, respectively, of written premiums to Lifson Re.

Other funds include deferred compensation trust assets of $38 million and $36 million as of September 30, 2024 and December 31, 2023, respectively. These assets support other liabilities reflected in the balance sheet of an equal amount for employees who have elected to defer a portion of their compensation. The change in the net asset value of the trust is recorded in other funds within net investment income with an offsetting equal amount within corporate expenses.

(11) Real Estate

Investment in real estate represents directly owned property held for investment, as follows:

	Carrying Value	
(In thousands)	September 30, 2024	December 31, 2023
Properties in operation	$ 1,069,589	$ 1,022,654
Properties under development	227,725	227,220
Total	$ 1,297,314	$ 1,249,874

As of September 30, 2024, properties in operation included a long-term ground lease in Washington, D.C., an office complex in New York City and the completed portion of a mixed-use project in Washington D.C. Properties in operation are net of accumulated depreciation and amortization of $36,999,000 and $32,745,000 as of September 30, 2024 and December 31, 2023, respectively. Related depreciation expense was $6,401,000 and $6,667,000 for the nine months ended September 30, 2024 and 2023, respectively. Future minimum rental income expected on operating leases relating to properties in operation is $8,884,653 in 2024, $34,771,667 in 2025, $33,308,460 in 2026, $32,567,952 in 2027, $33,133,057 in 2028, $28,606,364 in 2029 and $415,176,586 thereafter.

A mixed-use project in Washington, D.C. had been under development in 2024 and 2023, with the completed portion reported in properties in operation as of September 30, 2024.

(12) Loans Receivable

At September 30, 2024 and December 31, 2023, loans receivable were as follows:

(In thousands)	September 30, 2024	December 31, 2023
Amortized cost (net of allowance for expected credit losses):		
Real estate loans	$ 387,642	$ 200,381
Commercial loans	2,227	890
Total	$ 389,869	$ 201,271
Fair value:		
Real estate loans	$ 387,634	$ 197,354
Commercial loans	2,227	890
Total	$ 389,861	$ 198,244

The real estate loans are secured by commercial and residential real estate primarily located in the UK and New York. These loans generally earn interest at fixed or stepped interest rates and have maturities through 2028. The commercial loans are with small business owners who have secured the related financing with the assets of the business. Commercial loans primarily earn interest on a fixed basis and have varying maturities generally not exceeding 5 years.

The following table presents the rollforward of the allowance for expected credit losses for loans receivable for the nine months ended September 30, 2024 and 2023:

	2024			2023		
(In thousands)	**Real Estate Loans**	**Commercial Loans**	**Total**	**Real Estate Loans**	**Commercial Loans**	**Total**
Allowance for expected credit losses, beginning of period	$ 2,983	$ 21	$ 3,004	$ 1,100	$ 691	$ 1,791
Change in expected credit losses	(1,581)	2	(1,579)	2,302	(84)	2,218
Allowance for expected credit losses, end of period	$ 1,402	$ 23	$ 1,425	$ 3,402	$ 607	$ 4,009

During the nine months ended September 30, 2024, the Company decreased the allowance for expected credit losses due to a decrease in the weighted average life of the loan portfolio. During the nine months ended September 30, 2023, the Company increased the allowance for expected credit losses due to changes in economic assumptions utilized in its credit loss model.

The following table presents the rollforward of the allowance for expected credit losses for loans receivable for the three months ended September 30, 2024 and 2023:

	2024			2023		
(In thousands)	**Real Estate Loans**	**Commercial Loans**	**Total**	**Real Estate Loans**	**Commercial Loans**	**Total**
Allowance for expected credit losses, beginning of period	$ 1,793	$ 20	$ 1,813	$ 3,658	$ 892	$ 4,550
Change in expected credit losses	(391)	3	(388)	(256)	(285)	(541)
Allowance for expected credit losses, end of period	$ 1,402	$ 23	$ 1,425	$ 3,402	$ 607	$ 4,009

The Company monitors the performance of its loans receivable and assesses the ability of the borrower to pay principal and interest based upon loan structure, underlying property values, cash flow and related financial and operating performance of the property and market conditions.

In evaluating the real estate loans, the Company considers their credit quality indicators, including loan to value ratios, which compare the outstanding loan amount to the estimated value of the property, the borrower’s financial condition and performance with respect to loan terms, the position in the capital structure, the overall leverage in the capital structure and other market conditions.

(13) Net Investment (Losses) Gains

Net investment (losses) gains were as follows:

(In thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Net investment (losses) gains:				
Fixed maturity securities:				
Gains	$ 4,799	$ 299	$ 11,448	$ 1,357
Losses	(3,884)	(2,700)	(11,569)	(24,470)
Equity securities (1):				
Net realized gains on investment sales (2)	407	23,631	102,205	135,763
Change in unrealized (losses) gains	(1,537)	(19,059)	(42,442)	45,605
Investment funds	(101)	(3,329)	1,109	(3,417)
Real estate (3)	1,470	(24,234)	(2,704)	(68,944)
Loans receivable	—	(1,428)	—	(1,428)
Other (4)	(24,516)	(14,035)	(130,212)	(34,063)
Net realized and unrealized (losses) gains on investments in earnings before allowance for expected credit losses	(23,362)	(40,855)	(72,165)	50,403
Change in allowance for expected credit losses on investments:				
Fixed maturity securities	14,888	(2,112)	29,768	(8,946)
Loans receivable	388	541	1,579	(2,218)
Change in allowance for expected credit losses on investments	15,276	(1,571)	31,347	(11,164)
Net investment (losses) gains	(8,086)	(42,426)	(40,818)	39,239
Income tax benefit (expense)	43	9,405	5,810	(8,033)
After-tax net investment (losses) gains	$ (8,043)	$ (33,021)	$ (35,008)	$ 31,206
Change in unrealized investment gains (losses) on available for sale securities:				
Fixed maturity securities without allowance for expected credit losses	$ 463,418	$ (136,388)	$ 363,430	$ (57,293)
Fixed maturity securities with allowance for expected credit losses	11,166	(10,244)	4,470	(3,094)
Investment funds	6,152	(3,217)	3,112	(818)
Other	32	(606)	(181)	(1,271)
Total change in unrealized investment gains (losses)	480,768	(150,455)	370,831	(62,476)
Income tax (expense) benefit	(99,775)	32,090	(73,298)	11,626
Noncontrolling interests	—	—	1	(1)
After-tax change in unrealized investment gains (losses) of available for sale securities	$ 380,993	$ (118,365)	$ 297,534	$ (50,851)

---

(1) The net realized gains or losses on investment sales represent the total gains or losses from the purchase dates of the equity securities. The change in unrealized gains (losses) consists of two components: (i) the reversal of the gain or loss recognized in previous periods on equity securities sold and (ii) the change in unrealized gain or loss resulting from mark-to-market adjustments on equity securities still held.

(2) In June 2023, the Company completed a sale of the property and casualty insurance services division of Breckenridge IS, Inc. and recognized a pre-tax net realized gain on investment of $88 million on the sale (proceeds from the sale is presented on the business disposition line within the Consolidated Statements of Cash Flows).

(3) The Company recognized impairments on real estate of $21 million and $72 million in the three months and nine months ended September 30, 2023, respectively.

(4) Primarily relates to realized foreign currency losses upon the disposition of fixed maturity securities.

(14) Fixed Maturity Securities in an Unrealized Loss Position

The following tables summarize all fixed maturity securities in an unrealized loss position at September 30, 2024 and December 31, 2023 by the length of time those securities have been continuously in an unrealized loss position:

	Less Than 12 Months		12 Months or Greater		Total	
(In thousands)	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
September 30, 2024						
U.S. government and government agency	$ 142,850	$ 3,128	$ 586,823	$ 32,946	$ 729,673	$ 36,074
State and municipal	119,658	2,875	1,636,735	67,333	1,756,393	70,208
Mortgage-backed	237,206	925	1,162,601	132,922	1,399,807	133,847
Asset-backed	471,907	1,236	787,420	35,541	1,259,327	36,777
Corporate	308,606	4,573	3,325,568	126,794	3,634,174	131,367
Foreign government	141,247	17,405	617,409	162,231	758,656	179,636
Fixed maturity securities	$ 1,421,474	$ 30,142	$ 8,116,556	$ 557,767	$ 9,538,030	$ 587,909
December 31, 2023						
U.S. government and government agency	$ 384,392	$ 6,655	$ 614,623	$ 51,014	$ 999,015	$ 57,669
State and municipal	264,273	3,013	1,680,034	119,449	1,944,307	122,462
Mortgage-backed	278,819	2,025	1,360,748	175,131	1,639,567	177,156
Asset-backed	413,511	2,070	2,176,035	71,136	2,589,546	73,206
Corporate	874,754	11,975	4,418,309	231,288	5,293,063	243,263
Foreign government	204,908	1,758	794,174	135,661	999,082	137,419
Fixed maturity securities	$ 2,420,657	$ 27,496	$ 11,043,923	$ 783,679	$ 13,464,580	$ 811,175

Substantially all of the securities in an unrealized loss position are rated investment grade, except for the securities in the foreign government classification. A significant amount of the unrealized loss on foreign government securities is the result of changes in currency exchange rates.

A summary of the Company's non-investment grade fixed maturity securities that were in an unrealized loss position at September 30, 2024 is presented in the table below:

($ in thousands)	Number of Securities	Aggregate Fair Value	Gross Unrealized Loss
Foreign government	62	$ 146,049	$ 163,081
State and municipal	5	28,143	1,894
Corporate	9	20,185	568
Mortgage-backed	15	2,930	143
Total	91	$ 197,307	$ 165,686

For fixed maturity securities that management does not intend to sell or to be required to sell, the portion of the decline in value that is considered to be due to credit factors is recognized in earnings, and the portion of the decline in value that is considered to be due to non-credit factors is recognized in other comprehensive income (loss).

The Company has evaluated its fixed maturity securities in an unrealized loss position and believes the unrealized losses are due primarily to temporary market and sector-related factors rather than to issuer-specific factors. None of these securities are delinquent or in default under financial covenants. Based on its assessment of these issuers, the Company expects them to continue to meet their contractual payment obligations as they become due.

(15) Fair Value Measurements

The Company's fixed maturity available for sale securities, equity securities and its arbitrage trading account securities are carried at fair value. Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels, as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 - Quoted prices for similar assets or valuations based on inputs that are observable.

Level 3 - Estimates of fair value based on internal pricing methodologies using unobservable inputs. Unobservable inputs are only used to measure fair value to the extent that observable inputs are not available.

Substantially all of the Company's fixed maturity securities were priced by independent pricing services. The prices provided by the independent pricing services are estimated based on observable market data in active markets utilizing pricing models and processes, which may include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, sector groupings, matrix pricing and reference data. The pricing services may prioritize inputs differently on any given day for any security based on market conditions, and not all inputs are available for each security evaluation on any given day. The pricing services used by the Company have indicated that they will only produce an estimate of fair value if objectively verifiable information is available. The determination of whether markets are active or inactive is based upon the volume and level of activity for a particular asset class. The Company reviews the prices provided by pricing services for reasonableness and periodically performs independent price tests of a sample of securities to ensure proper valuation.

If prices from independent pricing services are not available for fixed maturity securities, the Company estimates the fair value. For Level 2 securities, the Company utilizes pricing models and processes which may include benchmark yields, sector groupings, matrix pricing, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, bids, offers and reference data. Where broker quotes are used, the Company generally requests two or more quotes and sets a price within the range of quotes received based on its assessment of the credibility of the quote and its own evaluation of the security. The Company generally does not adjust quotes received from brokers. For securities traded only in private negotiations, the Company determines fair value based primarily on the cost of such securities, which is adjusted to reflect prices of recent placements of securities of the same issuer, financial projections, credit quality and business developments of the issuer and other relevant information.

For Level 3 securities, the Company generally uses a discounted cash flow model to estimate the fair value of fixed maturity securities. The cash flow models are based upon assumptions as to prevailing credit spreads, interest rate and interest rate volatility, time to maturity and subordination levels. Projected cash flows are discounted at rates that are adjusted to reflect illiquidity, where appropriate.

The following tables present the assets and liabilities measured at fair value on a recurring basis as of September 30, 2024 and December 31, 2023 by level:

(In thousands)	Total	Level 1	Level 2	Level 3
September 30, 2024				
Assets:				
Fixed maturity securities available for sale:				
U.S. government and government agency	$ 2,070,985	$ —	$ 2,070,985	$ —
State and municipal	2,516,302	—	2,516,302	—
Mortgage-backed	3,237,972	—	3,237,972	—
Asset-backed	4,107,321	—	4,107,321	—
Corporate	8,852,764	—	8,852,764	—
Foreign government	1,834,605	—	1,834,605	—
Total fixed maturity securities available for sale	22,619,949	—	22,619,949	—
Equity securities:				
Common stocks	701,667	698,364	1,130	2,173
Preferred stocks	346,459	—	342,823	3,636
Total equity securities	1,048,126	698,364	343,953	5,809
Arbitrage trading account	820,928	728,783	88,397	3,748
Total	$ 24,489,003	$ 1,427,147	$ 23,052,299	$ 9,557
Liabilities:				
Trading account securities sold but not yet purchased	$ 36,093	$ 36,093	$ —	$ —
December 31, 2023				
Assets:				
Fixed maturity securities available for sale:				
U.S. government and government agency	$ 1,716,731	$ —	$ 1,716,731	$ —
State and municipal	2,634,422	—	2,634,422	—
Mortgage-backed	2,266,455	—	2,266,455	—
Asset-backed	4,187,040	—	4,187,040	—
Corporate	7,654,059	—	7,654,059	—
Foreign government	1,666,229	—	1,666,229	—
Total fixed maturity securities available for sale	20,124,936	—	20,124,936	—
Equity securities:				
Common stocks	838,054	835,338	1,158	1,558
Preferred stocks	252,293	—	248,598	3,695
Total equity securities	1,090,347	835,338	249,756	5,253
Arbitrage trading account	938,049	546,110	388,167	3,772
Total	$ 22,153,332	$ 1,381,448	$ 20,762,859	$ 9,025
Liabilities:				
Trading account securities sold but not yet purchased	$ 9,357	$ 9,357	$ —	$ —

The following tables summarize changes in Level 3 assets and liabilities for the nine months ended September 30, 2024 and for the year ended December 31, 2023:

(In thousands)	Beginning Balance	Gains (Losses) Included In: Earnings (Losses)	Gains (Losses) Included In: Other Comprehensive Income (Losses)	Impairments	Purchases	Sales	Paydowns / Maturities	Transfers In / (Out)	Ending Balance
Nine Months Ended September 30, 2024									
Assets:									
Equity securities:									
Common stocks	$ 1,558	$ 743	$ —	$ —	$ —	$ (128)	$ —	$ —	$ 2,173
Preferred stocks	3,695	(2)	—	—	—	(57)	—	—	3,636
Total	5,253	741	—	—	—	(185)	—	—	5,809
Arbitrage trading account	3,772	(23)	—	—	—	(38)	—	37	3,748
Total	$ 9,025	$ 718	$ —	$ —	$ —	$ (223)	$ —	$ 37	$ 9,557
Year Ended December 31, 2023									
Assets:									
Equity securities:									
Common stocks	$ 2,599	$ (1,041)	$ —	$ —	$ —	$ —	$ —	$ —	$ 1,558
Preferred stocks	11,299	(3)	—	(7,601)	—	—	—	—	3,695
Total	13,898	(1,044)	—	(7,601)	—	—	—	—	5,253
Arbitrage trading account	3,590	117	—	—	—	—	—	65	3,772
Total	$ 17,488	$ (927)	$ —	$ (7,601)	$ —	$ —	$ —	$ 65	$ 9,025

For both the nine months ended September 30, 2024 and the year ended December 31, 2023, one security within the arbitrage trading account portfolio that no longer had a publicly traded price was transferred into Level 3.

(16) Reserves for Loss and Loss Expenses

The Company's reserves for losses and loss expenses are comprised of case reserves and incurred but not reported liabilities ("IBNR"). When a claim is reported, a case reserve is established for the estimated ultimate payment based upon known information about the claim. As more information about the claim becomes available over time, case reserves are adjusted up or down as appropriate. Reserves are also established on an aggregate basis to provide for IBNR liabilities and expected loss reserve development on reported claims.

Loss reserves included in the Company's financial statements represent management's best estimates based upon an actuarially derived point estimate and other considerations. The Company uses a variety of actuarial techniques and methods to derive an actuarial point estimate for each operating unit. These methods include paid loss development, incurred loss development, paid and incurred Bornhuetter-Ferguson methods and frequency and severity methods. In circumstances where one actuarial method is considered more credible than the others, that method is used to set the point estimate. The actuarial point estimate may also be based on a judgmental weighting of estimates produced from each of the methods considered. Industry loss experience is used to supplement the Company's own data in selecting "tail factors" in areas where the Company's own data is limited. The actuarial data is analyzed by line of business, coverage and accident or policy year, as appropriate, for each operating unit.

The establishment of the actuarially derived loss reserve point estimate also includes consideration of qualitative factors that may affect the ultimate losses. These qualitative considerations include, among others, the impact of re-underwriting initiatives, changes in the mix of business, changes in distribution sources and changes in policy terms and conditions.

The key assumptions used to arrive at the best estimate of loss reserves are the expected loss ratios, rate of loss cost inflation, and reported and paid loss emergence patterns. Expected loss ratios represent management's expectation of losses at the time the business is priced and written, before any actual claims experience has emerged. This expectation is a significant determinant of the estimate of loss reserves for recently written business where there is little paid or incurred loss data to consider. Expected loss ratios are generally derived from historical loss ratios adjusted for the impact of rate changes, loss cost trends and known changes in the type of risks underwritten. Expected loss ratios are estimated for each key line of business within each operating unit. Expected loss cost inflation is particularly important for the long-tail lines, such as excess casualty, and claims with a high medical component, such as workers' compensation. Reported and paid loss emergence patterns are used to project current reported or paid loss amounts to their ultimate settlement value. Loss development factors are based on the historical emergence patterns of paid and incurred losses, and are derived from the Company's own experience and industry data. The paid loss emergence pattern is also significant to excess and assumed workers' compensation reserves because those reserves are discounted to their estimated present value based upon such estimated payout patterns.

Loss frequency and severity are measures of loss activity that are considered in determining the key assumptions described in our discussion of loss and loss expense reserves, including expected loss ratios, rate of loss cost inflation and reported and paid loss emergence patterns. Loss frequency is a measure of the number of claims per unit of insured exposure, and loss severity is a measure of the average size of claims. Factors affecting loss frequency include the effectiveness of loss controls and safety programs and changes in economic activity or weather patterns. Factors affecting loss severity include changes in policy limits, retentions, rate of inflation and judicial interpretations.

Another factor affecting estimates of loss frequency and severity is the loss reporting lag, which is the period of time between the occurrence of a loss and the date the loss is reported to the Company. The length of the loss reporting lag affects our ability to accurately predict loss frequency (loss frequencies are more predictable for lines with short reporting lags) as well as the amount of reserves needed for incurred but not reported losses (less IBNR is required for lines with short reporting lags). As a result, loss reserves for lines with short reporting lags are likely to have less variation from initial loss estimates. For lines with short reporting lags, which include auto, primary workers' compensation, other liability (claims-made) and property business, the key assumption is the loss emergence pattern used to project ultimate loss estimates from known losses paid or reported to date. For lines of business with long reporting lags, which include other liability (occurrence), products liability, excess workers' compensation and liability reinsurance, the key assumption is the expected loss ratio since there is often little paid or incurred loss data to consider. Historically, the Company has experienced less variation from its initial loss estimates for lines of business with short reporting lags than for lines of business with long reporting lags.

The key assumptions used in calculating the most recent estimate of the loss reserves are reviewed each quarter and adjusted, to the extent necessary, to reflect the latest reported loss data, current trends and other factors observed.

The table below provides a reconciliation of the beginning and ending reserve balances:

	September 30,	
(In thousands)	**2024**	**2023**
Net reserves at beginning of period	$ 15,661,820	$ 14,248,879
Net provision for losses and loss expenses:		
Claims occurring during the current year (1)	5,229,468	4,694,554
Increase in estimates for claims occurring in prior years (2) (3)	15,279	27,186
Loss reserve discount accretion	25,587	22,862
Total	5,270,334	4,744,602
Net payments for claims:		
Current year	795,792	743,416
Prior years	3,164,720	2,915,979
Total	3,960,512	3,659,395
Foreign currency translation	19,659	(48,162)
Net reserves at end of period	16,991,301	15,285,924
Ceded reserves at end of period	3,164,009	2,987,386
Gross reserves at end of period	$ 20,155,310	$ 18,273,310

(1) Claims occurring during the current year are net of loss reserve discounts of $37 million and $35 million for the nine months ended September 30, 2024 and 2023, respectively.

(2) The change in estimates for claims occurring in prior years is net of loss reserve discount. On an undiscounted basis, the estimates for claims occurring in prior years increased by $12 million and decreased by $12 million for the nine months ended September 30, 2024 and 2023, respectively.

(3) For certain retrospectively rated insurance policies and reinsurance agreements, reserve development is offset by additional or return premiums. Favorable development, net of additional and return premiums, was $3 million and adverse development was $20 million for the nine months ended September 30, 2024 and 2023, respectively.

The ultimate net impact of COVID-19 on the Company's reserves remains uncertain. As of September 30, 2024, the Company had recognized losses for COVID-19-related claims activity, net of reinsurance, of approximately $382 million, of which $325 million relates to the Insurance segment and $57 million relates to the Reinsurance & Monoline Excess segment. Such $382 million of COVID-19-related losses included $379 million of reported losses and $3 million of IBNR.

During the nine months ended September 30, 2024, favorable prior year development (net of additional and return premiums) of $3 million included $5 million for the Reinsurance & Monoline Excess segment partially offset by $2 million of adverse development for the Insurance segment.

For the Insurance segment, the adverse development during the first nine months of 2024 was driven by commercial auto liability and other liability (mainly umbrella and excess liability), which was largely offset by favorable development for workers' compensation and professional liability. The adverse commercial auto liability development was concentrated in accident years 2020 through 2023. The other liability development was mainly driven by umbrella and excess liability claims, and was focused in accident years 2017 through 2021. A significant portion of the umbrella and excess liability development related to underlying commercial auto exposures. The Company believes that commercial auto-related claims are being particularly impacted by social inflation, which is contributing to an increase in the frequency of large losses beyond expectations. Social inflation can include higher settlement demands from plaintiffs, use of aggressive actions by the plaintiffs' bar such as litigation funding, negative public sentiment towards large businesses and corporations, and erosion of tort reforms, among other factors.

The favorable workers' compensation development for the Insurance segment was mainly related to accident years 2017 through 2023, while the favorable professional liability development was mainly in accident years 2020 through 2022. For workers' compensation, favorable reported claim frequency, below expectations, continued to be the main driver of the favorable reserve development. For professional liability, reported loss experience for accident years 2020 through 2022 was better than expected, which drove the favorable reserve development. These accident years also feature business written at peak pricing levels, which the Company now believes will result in higher profitability than initially anticipated.

For the Reinsurance & Monoline Excess segment, the favorable development during the first nine months of 2024 was driven mainly by favorable development in excess workers' compensation, partially offset by adverse development in the non-proportional reinsurance assumed liability line of business. The favorable excess workers' compensation development was driven by continued lower claim frequency and reported losses relative to expectations, and to favorable claim settlements spread across many prior accident years. The unfavorable development for non-proportional reinsurance was concentrated mainly in accident years 2015 through 2019 and was associated primarily with our U.S. and U.K. excess general liability reinsurance businesses, including coverage for cedants insuring construction projects.

During the nine months ended September 30, 2023, adverse prior year development (net of additional and return premiums) of $20 million included $21 million of adverse development for the Insurance segment, partially offset by $1 million of favorable development for the Reinsurance & Monoline Excess segment.

Such adverse development during the nine months ended September 30, 2023 was concentrated in the first quarter, with $24 million of adverse development (net of additional and return premiums) recorded in the first quarter, partially offset by favorable development totaling $4 million recorded during the second and third quarters. The recorded adverse development during the first quarter in both business segments was due to property catastrophe losses related to 2022 events which were still being adjusted and settled. In particular, losses related to U.S. winter storms which occurred during the month of December 2022 were a significant driver of the development, as information gathering and evaluation of many of these losses were still ongoing into the new year.

For the Insurance segment, in addition to the property prior year adverse development discussed above, the adverse development during the nine months ended September 30, 2023 included adverse prior year development on casualty lines for the 2016 through 2019 accident years, which was largely offset by favorable prior year development on casualty lines for the 2020 through 2022 accident years. The adverse development on the 2016 through 2019 accident years was concentrated in the general liability line of business, and to a lesser degree professional liability, including medical professional, and commercial auto liability. The development, which particularly impacted business attaching excess of primary policy limits, was driven by a larger than expected number of large losses reported. The Company believes social inflation is contributing to an increase in the frequency of large losses for these accident years. Social inflation can include higher settlement demands from plaintiffs, use of tactics such as litigation funding by the plaintiffs' bar, negative public sentiment towards large businesses and corporations, and erosion of tort reforms, among others.

The favorable prior year development on casualty lines for the 2020 through 2022 accident years in the Insurance segment was concentrated in the professional liability, workers' compensation, and general liability lines of business. Due to uncertainty regarding incurred loss frequency and severity in light of ongoing social inflation and the impacts of the COVID-19 pandemic, the Company set its initial loss ratios for the 2020 through 2022 accident years prudently, and largely maintained these estimates through the end of each respective accident year. The reported loss experience to date for these lines of business for the 2020 through 2022 accident years has been significantly better than was expected, and the Company began to react to this favorable emergence as the accident years matured beyond the age of 12 months. However, commercial auto liability experienced adverse prior year development for the 2020 through 2022 accident years, partially offsetting the favorable development discussed above, which was driven by a larger than expected number of large losses reported.

For the Reinsurance & Monoline Excess segment, the favorable development during the nine months ended September 30, 2023 was driven mainly by favorable development in excess workers' compensation, largely offset by adverse development in property (discussed above), non-proportional reinsurance assumed liability, and commercial auto liability lines of business. The favorable excess workers' compensation development was driven by continued lower claim frequency and reported losses relative to our expectations, and to favorable claim settlements. The favorable development was spread across many prior accident years. The adverse development on reinsurance assumed liability was associated primarily with our U.S. assumed reinsurance business, and related to accounts reinsuring excess and umbrella business and construction projects. The adverse development was concentrated mainly in accident years 2017 through 2020. The adverse development on commercial auto liability was concentrated in the 2022 accident year and related to commercial auto program business.

(17) Fair Value of Financial Instruments

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments:

(In thousands)	September 30, 2024 Carrying Value	September 30, 2024 Fair Value	December 31, 2023 Carrying Value	December 31, 2023 Fair Value
Assets:				
Fixed maturity securities	$ 22,663,878	$ 22,665,931	$ 20,178,308	$ 20,181,547
Equity securities	1,048,126	1,048,126	1,090,347	1,090,347
Arbitrage trading account	820,928	820,928	938,049	938,049
Loans receivable	389,869	389,861	201,271	198,244
Cash and cash equivalents	1,573,238	1,573,238	1,363,195	1,363,195
Trading account receivables from brokers and clearing organizations	410,756	410,756	303,614	303,614
Due from broker	—	—	36,747	36,747
Liabilities:				
Due to broker	85,920	85,920	—	—
Trading account securities sold but not yet purchased	36,093	36,093	9,357	9,357
Senior notes and other debt	1,827,788	1,522,430	1,827,951	1,480,076
Subordinated debentures	1,009,629	922,564	1,009,090	929,598

The estimated fair values of the Company's fixed maturity securities, equity securities and arbitrage trading account securities are based on various valuation techniques that rely on fair value measurements as described in Note 15. The fair value of loans receivable are estimated by using current institutional purchaser yield requirements for loans with similar credit characteristics, which is considered a Level 2 input. The fair value of the senior notes and other debt and the subordinated debentures is based on spreads for similar securities, which is considered a Level 2 input.

(18) Premiums and Reinsurance Related Information

The following is a summary of insurance and reinsurance financial information:

(In thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Written premiums:				
Direct	$ 3,303,682	$ 3,037,932	$ 9,723,219	$ 8,762,249
Assumed	329,596	315,273	990,587	977,047
Ceded	(576,002)	(504,746)	(1,678,460)	(1,504,497)
Total net premiums written	$ 3,057,276	$ 2,848,459	$ 9,035,346	$ 8,234,799
Earned premiums:				
Direct	$ 3,141,883	$ 2,825,176	$ 9,127,399	$ 8,217,888
Assumed	346,780	316,134	1,012,804	913,795
Ceded	(561,840)	(499,396)	(1,602,618)	(1,445,610)
Total net premiums earned	$ 2,926,823	$ 2,641,914	$ 8,537,585	$ 7,686,073
Ceded losses and loss expenses incurred	$ 319,472	$ 320,995	$ 952,666	$ 970,267
Ceded commissions earned	$ 129,916	$ 118,207	$ 374,618	$ 354,148

The following table presents the rollforward of the allowance for expected credit losses for premiums and fees receivable for the nine months ended September 30, 2024 and 2023:

(In thousands)	2024	2023
Allowance for expected credit losses, beginning of period	$ 35,110	$ 30,660
Change in expected credit losses	2,961	2,942
Allowance for expected credit losses, end of period	$ 38,071	$ 33,602

The following table presents the rollforward of the allowance for expected credit losses for premiums and fees receivable for the three months ended September 30, 2024 and 2023:

(In thousands)	2024	2023
Allowance for expected credit losses, beginning of period	$ 37,279	$ 32,770
Change in expected credit losses	792	832
Allowance for expected credit losses, end of period	$ 38,071	$ 33,602

The Company reinsures a portion of its insurance exposures in order to reduce its net liability on individual risks and catastrophe losses. The Company also cedes premiums to state assigned risk plans and captive insurance companies. Estimated amounts due from reinsurers are reported net of an allowance for expected credit losses.

The following table presents the rollforward of the allowance for expected credit losses associated with due from reinsurers for the nine months ended September 30, 2024 and 2023:

(In thousands)	2024	2023
Allowance for expected credit losses, beginning of period	$ 8,404	$ 8,064
Change in expected credit losses	(72)	1,379
Allowance for expected credit losses, end of period	$ 8,332	$ 9,443

The following table presents the rollforward of the allowance for expected credit losses associated with due from reinsurers for the three months ended September 30, 2024 and 2023:

(In thousands)	2024	2023
Allowance for expected credit losses, beginning of period	$ 10,255	$ 9,365
Change in expected credit losses	(1,923)	78
Allowance for expected credit losses, end of period	$ 8,332	$ 9,443

(19) Restricted Stock Units

Pursuant to its stock incentive plan, the Company may issue restricted stock units ("RSUs") to employees of the Company and its subsidiaries. The RSUs generally vest three to five years from the award date and are subject to other vesting and forfeiture provisions contained in the award agreement. RSUs are expensed pro-ratably over the vesting period. RSU expenses were $38 million and $36 million for the nine months ended September 30, 2024 and 2023, respectively. A summary of RSUs issued in the nine months ended September 30, 2024 and 2023 follows:

($ in thousands)	Units	Fair Value
2024	1,215,623	$ 70,195
2023	1,638,195	$ 68,936

(20) Litigation and Contingent Liabilities

In the ordinary course of business, the Company is subject to disputes, litigation and arbitration arising from its insurance and reinsurance businesses. These matters are generally related to insurance and reinsurance claims and are considered in the establishment of loss and loss expense reserves. In addition, the Company may also become involved in legal actions which seek extra-contractual damages, punitive damages or penalties, including claims alleging bad faith in handling of insurance claims. The Company expects its ultimate liability with respect to such matters will not be material to its financial condition. However, adverse outcomes on such matters are possible, from time to time, and could be material to the Company’s results of operations in any particular financial reporting period.

On December 22, 2023, one of the Company’s subsidiaries filed a lawsuit against certain reinsurers to recover in excess of $90 million in respect of certain losses paid to its policyholders under certain event cancellation and related insurance policies. The Company believes its claims against the reinsurers are meritorious and expects a positive resolution to its lawsuit. While an adverse outcome is possible, the Company believes that the outcome, in any case, will not be material to the Company’s financial condition.

(21) Leases

Lessees are required to recognize a right-of-use asset and a lease liability for leases with terms of more than 12 months on the balance sheet. All leases disclosed within this footnote are classified as operating leases. Recognized right-of-use asset and lease liability are reported within other assets and other liabilities, respectively, in the consolidated balance sheet. Lease expense is reported in other operating costs and expenses in the consolidated statement of income and accounted for on a straight-line basis over the lease term.

To determine the discount rate used to calculate present value of future minimum lease payments, the Company uses its incremental borrowing rate during the lease commencement period in line with the respective lease duration. In certain cases, the Company has the option to renew the lease. Lease renewal future payments are included in the present value of the future minimum lease payments when the Company determines it is reasonably certain to renew.

The main leases entered into by the Company are for office space used by the Company's operating units across the world. Additionally, the Company, to a lesser extent, has equipment leases mainly for office equipment. Further information relating to operating lease expense and other operating lease information are as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(In thousands)	**2024**	**2023**	**2024**	**2023**
Leases:				
Lease cost	$ 11,230	$ 10,122	$ 33,633	$ 30,448
Cash paid for amounts included in the measurement of lease liabilities reported in operating cash flows	$ 12,222	$ 11,403	$ 36,818	$ 33,247
Right-of-use assets obtained in exchange for new lease liabilities	$ 3,458	$ 6,543	$ 37,007	$ 14,489

	As of September 30,	
($ in thousands)	**2024**	**2023**
Right-of-use assets	$ 184,166	$ 155,662
Lease liabilities	$ 224,776	$ 188,141
Weighted-average remaining lease term	7.4 years	6.9 years
Weighted-average discount rate	5.53 %	4.55 %

Contractual maturities of the Company's future minimum lease payments are as follows:

(In thousands)	**September 30, 2024**
Contractual Maturities:	
2024	$ 13,277
2025	46,867
2026	40,116
2027	31,122
2028	29,436
Thereafter	109,555
Total undiscounted future minimum lease payments	270,373
Less: Discount impact	45,597
Total lease liability	$ 224,776

(22) Business Segments

The Company’s reportable segments include the following two business segments, plus a corporate segment:

- Insurance - predominantly commercial insurance business, including excess and surplus lines, admitted lines and specialty personal lines throughout the United States, as well as insurance business in Asia, Australia, Canada, Continental Europe, Mexico, Scandinavia, South America and the United Kingdom.

- Reinsurance & Monoline Excess - reinsurance business on a facultative and treaty basis, primarily in the United States, the United Kingdom, Continental Europe, Australia, the Asia-Pacific Region and South Africa, as well as operations that solely retain risk on an excess basis and certain program management business.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Income tax expense and benefits are calculated based upon the Company's overall effective tax rate.

Summary financial information about the Company's reporting segments is presented in the following tables. Income (loss) before income taxes by segment includes allocated investment income. Identifiable assets by segment are those assets used in or allocated to the operation of each segment.

	Revenues					
(In thousands)	Earned Premiums (1)	Investment Income	Other	Total (2)	Pre-Tax Income (Loss)	Net Income (Loss) to Common Stockholders
Three months ended September 30, 2024						
Insurance	$ 2,564,490	$ 253,234	$ 9,189	$ 2,826,913	$ 469,421	$ 363,026
Reinsurance & Monoline Excess	362,333	57,037	—	419,370	105,225	82,659
Corporate, other and eliminations (3)	—	13,485	148,697	162,182	(92,111)	(72,008)
Net investment losses	—	—	(8,086)	(8,086)	(8,086)	(8,043)
Total	$ 2,926,823	$ 323,756	$ 149,800	$ 3,400,379	$ 474,449	$ 365,634
Three months ended September 30, 2023						
Insurance	$ 2,291,917	$ 204,030	$ 9,143	$ 2,505,090	$ 410,909	$ 326,086
Reinsurance & Monoline Excess	349,997	59,021	—	409,018	110,442	86,747
Corporate, other and eliminations (3)	—	7,893	151,063	158,956	(58,976)	(46,226)
Net investment losses	—	—	(42,426)	(42,426)	(42,426)	(33,021)
Total	$ 2,641,914	$ 270,944	$ 117,780	$ 3,030,638	$ 419,949	$ 333,586
Nine months ended September 30, 2024						
Insurance	$ 7,447,828	$ 801,573	$ 28,202	$ 8,277,603	$ 1,437,623	$ 1,102,363
Reinsurance & Monoline Excess	1,089,757	168,721	—	1,258,478	357,299	282,423
Corporate, other and eliminations (3)	—	45,429	430,492	475,921	(217,912)	(169,764)
Net investment losses	—	—	(40,818)	(40,818)	(40,818)	(35,008)
Total	$ 8,537,585	$ 1,015,723	$ 417,876	$ 9,971,184	$ 1,536,192	$ 1,180,014
Nine months ended September 30, 2023						
Insurance	$ 6,650,027	$ 552,917	$ 27,570	$ 7,230,514	$ 1,149,886	$ 900,434
Reinsurance & Monoline Excess	1,036,046	155,790	—	1,191,836	317,146	251,420
Corporate, other and eliminations (3)	—	30,787	429,180	459,967	(253,066)	(199,040)
Net investment gains	—	—	39,239	39,239	39,239	31,206
Total	$ 7,686,073	$ 739,494	$ 495,989	$ 8,921,556	$ 1,253,205	$ 984,020

(1) Certain amounts included in earned premiums of each segment are related to inter-segment transactions.

(2) Revenues for Insurance from foreign operations for the three months ended September 30, 2024 and 2023 were $350 million and $298 million, respectively, and for the nine months ended September 30, 2024 and 2023 were $1,112 million and $852 million, respectively. Revenues for Reinsurance & Monoline Excess from foreign operations for the three months ended September 30, 2024 and 2023 were $125 million and $124 million, respectively, and for the nine months ended September 30, 2024 and 2023 were $353 million and $333 million, respectively.

(3) Corporate, other and eliminations represent corporate revenues and expenses that are not allocated to business segments.

Identifiable Assets

(In thousands)	September 30, 2024	December 31, 2023
Insurance	$ 32,687,852	$ 29,923,282
Reinsurance & Monoline Excess	5,842,643	5,545,249
Corporate, other and eliminations	1,828,803	1,643,299
Consolidated	$ 40,359,298	$ 37,111,830

Net premiums earned by major line of business are as follows:

(In thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Insurance:				
Other liability	$ 1,031,087	$ 916,394	$ 3,000,335	$ 2,660,850
Short-tail lines (1)	563,736	472,805	1,613,342	1,330,173
Auto	376,762	327,507	1,092,354	929,201
Workers' compensation	313,154	300,694	925,214	905,405
Professional liability	279,751	274,517	816,583	824,398
Total Insurance	2,564,490	2,291,917	7,447,828	6,650,027
Reinsurance & Monoline Excess:				
Casualty (2)	188,284	201,795	585,208	618,855
Property (2)	108,386	87,838	308,024	239,338
Monoline excess (3)	65,663	60,364	196,525	177,853
Total Reinsurance & Monoline Excess	362,333	349,997	1,089,757	1,036,046
Total	$ 2,926,823	$ 2,641,914	$ 8,537,585	$ 7,686,073

(1) Short-tail lines include commercial multi-peril (non-liability), inland marine, accident and health, fidelity and surety, boiler and machinery, high net worth homeowners and other lines.

(2) Includes reinsurance casualty and property and certain program management business.

(3) Monoline excess includes operations that solely retain risk on an excess basis.

SAFE HARBOR STATEMENT

This is a “Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995. Any forward-looking statements contained herein, including statements related to our outlook for the industry and for our performance for the year 2024 and beyond, are based upon the Company’s historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. They are subject to various risks and uncertainties, including but not limited to: the cyclical nature of the property casualty industry; the impact of significant competition, including new entrants to the industry; the long-tail and potentially volatile nature of the insurance and reinsurance business; product demand and pricing; claims development and the process of estimating reserves; investment risks, including those of our portfolio of fixed maturity securities and investments in equity securities, including investments in financial institutions, foreign governmental bonds, municipal bonds, mortgage-backed securities, loans receivable, investment funds, including real estate, merger arbitrage, energy related and private equity investments; the effects of emerging claim and coverage issues; the uncertain nature of damage theories and loss amounts, including claims for cybersecurity-related risks; natural and man-made catastrophic losses, including as a result of terrorist activities; the ongoing effects of the COVID-19 pandemic, or other epidemics and pandemics; the impact of climate change, which may alter the frequency and increase the severity of catastrophe events; general economic and market activities, including inflation, changing interest rates, and volatility in the credit and capital markets; the impact of the conditions in the financial markets and the global economy, and the potential effect of legislative, regulatory, accounting or other initiatives taken in response, on our results and financial condition; foreign currency and political risks relating to our international operations; our ability to attract and retain key personnel and qualified employees; continued availability of capital and financing; the success of our new ventures or acquisitions and the availability of other opportunities; the availability of reinsurance; our retention under the Terrorism Risk Insurance Program Reauthorization Act of 2019; the ability or willingness of our reinsurers to pay reinsurance recoverables owed to us; other legislative and regulatory developments, including those related to business practices in the insurance industry; credit risk related to our policyholders, independent agents and brokers; changes in the ratings assigned to us or our insurance company subsidiaries by rating agencies; the availability of dividends from our insurance company subsidiaries; cyber security breaches of our information technology systems and the information technology systems of our vendors and other third parties, or related processes and systems; the effectiveness of our controls to ensure compliance with guidelines, policies and legal and regulatory standards; and other risks detailed from time to time in the Company’s filings with the Securities and Exchange Commission.

These risks and uncertainties could cause our actual results for the year 2024 and beyond to differ materially from those expressed in any forward-looking statement we make. Any projections of growth in our revenues would not necessarily result in commensurate levels of earnings. Our future financial performance is dependent upon factors discussed in our Annual Report on Form 10-K, elsewhere in this Form 10-Q and our other SEC filings. Forward-looking statements speak only as of the date on which they are made. Except to the extent required by applicable laws, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Overview

W. R. Berkley Corporation is an insurance holding company that is among the largest commercial lines writers in the United States and operates worldwide in two segments of the property and casualty business: Insurance and Reinsurance & Monoline Excess. Our decentralized structure provides us with the flexibility to respond quickly and efficiently to local or specific market conditions and to pursue specialty business niches. It also allows us to be closer to our customers in order to better understand their individual needs and risk characteristics. While providing our business units with certain operating autonomy, our structure allows us to capitalize on the benefits of economies of scale through centralized capital, investment, reinsurance, enterprise risk management, and actuarial, financial and corporate legal staff support. The Company’s primary sources of revenues and earnings are its insurance operations and its investments.

An important part of our strategy is to form new operating units to capitalize on various business opportunities. Over the years, the Company has formed numerous operating units that are focused on important parts of the economy in the U.S., including healthcare, cyber security, energy and agriculture, and on growing international markets, including the Asia-Pacific region, South America and Mexico.

The profitability of the Company’s insurance business is affected primarily by the adequacy of premium rates. The ultimate adequacy of premium rates is not known with certainty at the time an insurance policy is issued because premiums are determined before claims are reported. The ultimate adequacy of premium rates is affected mainly by the severity and frequency of claims, which are influenced by many factors, including natural and other disasters, regulatory measures and court decisions that define and change the extent of coverage and the effects of economic and social inflation on the amount of compensation for injuries or losses. General insurance prices are also influenced by available insurance capacity, i.e., the level of capital employed in the industry, and the industry’s willingness to deploy that capital.

The Company’s profitability is also affected by its investment income and investment gains (losses). The Company’s invested assets are invested principally in fixed maturity securities. The return on fixed maturity securities is affected primarily by general interest rates, as well as the credit quality and duration of the securities.

The Company also invests in equity securities, merger arbitrage securities, investment funds, private equity, loans and real estate-related assets. The Company's investments in investment funds and its other alternative investments have experienced, and the Company expects to continue to experience, greater fluctuations in investment income. The Company's share of the earnings or losses from investment funds is generally reported on a one-quarter lag in order to facilitate the timely completion of the Company's consolidated financial statements.

Commencing with the first quarter of 2024, the Company reclassified a program management business from the Insurance segment to the Reinsurance & Monoline Excess segment. The reclassified business is a program management business offering support on a nationwide basis for commercial casualty and property program administrators. Reclassifications have been made to the Company's 2023 financial information to conform with this presentation.

On June 12, 2024, the Company announced that its Board of Directors approved a 3-for-2 common stock split which was paid in the form of a stock dividend to holders of record as of June 24, 2024. The additional shares were issued on July 10, 2024. Share and per share amounts in this Form 10-Q reflect such 3-for-2 common stock split.

In June 2023, the Company completed a sale of the property and casualty insurance services division of Breckenridge IS, Inc. and recognized a pre-tax net realized gain on investment of $88 million.

Critical Accounting Estimates

The following presents a discussion of accounting policies and estimates relating to reserves for losses and loss expenses, assumed premiums and allowance for expected credit losses on investments. Management believes these policies and estimates are the most critical to its operations and require the most difficult, subjective and complex judgments.

Reserves for Losses and Loss Expenses. To recognize liabilities for unpaid losses, either known or unknown, insurers establish reserves, which is a balance sheet account representing estimates of future amounts needed to pay claims and related expenses with respect to insured events which have occurred. Estimates and assumptions relating to reserves for losses and loss expenses are based on complex and subjective judgments, often including the interplay of specific uncertainties with related accounting and actuarial measurements. Such estimates are also susceptible to change as significant periods of time may elapse between the occurrence of an insured loss, the report of the loss to the insurer, the ultimate determination of the cost of the loss and the insurer's payment of that loss.

In general, when a claim is reported, claims personnel establish a "case reserve" for the estimated amount of the ultimate payment based upon known information about the claim at that time. The estimate represents an informed judgment based on general reserving practices and reflects the experience and knowledge of the claims personnel regarding the nature and value of the specific type of claim. Reserves are also established on an aggregate basis to provide for losses incurred but not reported ("IBNR") to the insurer, potential inadequacy of case reserves and the estimated expenses of settling claims, including legal and other fees and general expenses of administrating the claims adjustment process. Reserves are established based upon the then current legal interpretation of coverage provided.

In examining reserve adequacy, several factors are considered in estimating the ultimate economic value of losses. These factors include, among other things, historical data, legal developments, changes in social attitudes and economic conditions, including the effects of inflation. The actuarial process relies on the basic assumption that past experience, adjusted judgmentally for the effects of current developments and anticipated trends, is an appropriate basis for predicting future outcomes. Reserve amounts are based on management's informed estimates and judgments using currently available data. As additional experience and other data become available and are reviewed, these estimates and judgments may be revised. This may result in reserve increases or decreases that would be reflected in our results in periods in which such estimates and assumptions are changed.

Reserves do not represent an exact calculation of liability. Rather, reserves represent an estimate of what management expects the ultimate settlement and claim administration will cost. While the methods for establishing reserves are well tested over time, some of the major assumptions about anticipated loss emergence patterns are subject to uncertainty. These estimates, which generally involve actuarial projections, are based on management's assessment of facts and circumstances then known, as well as estimates of trends in claims severity and frequency, judicial theories of liability and other factors, including the actions of third parties which are beyond the Company's control. These variables are affected by external and internal events, such as inflation and economic volatility, judicial and litigation trends, reinsurance coverage, legislative changes and claim handling and reserving practices, which make it more difficult to accurately predict claim costs. The inherent uncertainties of estimating reserves are greater for certain types of liabilities where long periods of time elapse before a definitive determination of liability is made. Because setting reserves is inherently uncertain, the Company cannot provide assurance that its current reserves will prove adequate in light of subsequent events.

Loss reserves included in the Company's financial statements represent management's best estimates based upon an actuarially derived point estimate and other considerations. The Company uses a variety of actuarial techniques and methods to derive an actuarial point estimate for each operating unit. These methods include paid loss development, incurred loss development, paid and incurred Bornhuetter-Ferguson methods and frequency and severity methods. In circumstances where one actuarial method is considered more credible than the others, that method is used to set the point estimate. For example, the paid loss and incurred loss development methods rely on historical paid and incurred loss data. For new lines of business, where there is insufficient history of paid and incurred claims data, or in circumstances where there have been significant changes in claim practices, the paid and incurred loss development methods would be less credible than other actuarial methods. The actuarial point estimate may also be based on a judgmental weighting of estimates produced from each of the methods considered. Industry loss experience is used to supplement the Company's own data in selecting "tail factors" and in areas where the Company's own data is limited. The actuarial data is analyzed by line of business, coverage and accident or policy year, as appropriate, for each operating unit.

The establishment of the actuarially derived loss reserve point estimate also includes consideration of qualitative factors that may affect the ultimate losses. These qualitative considerations include, among others, the impact of re-underwriting initiatives, changes in the mix of business, changes in distribution sources and changes in policy terms and conditions. Examples of changes in terms and conditions that can have a significant impact on reserve levels are the use of aggregate policy limits, the expansion of coverage exclusions, whether or not defense costs are within policy limits, and changes in deductibles and attachment points.

The key assumptions used to arrive at the best estimate of loss reserves are the expected loss ratios, rate of loss cost inflation, and reported and paid loss emergence patterns. Expected loss ratios represent management's expectation of losses at the time the business is written, before any actual claims experience has emerged. This expectation is a significant determinant of the estimate of loss reserves for recently written business where there is little paid or incurred loss data to consider. Expected loss ratios are generally derived from historical loss ratios adjusted for the impact of rate changes, loss cost trends and known changes in the type of risks underwritten. Expected loss ratios are estimated for each key line of business within each operating unit. Expected loss cost inflation is particularly important for the long-tail lines, such as excess casualty, and claims with a high medical component, such as workers' compensation. Reported and paid loss emergence patterns are used to project current reported or paid loss amounts to their ultimate settlement value. Loss development factors are based on the historical emergence patterns of paid and incurred losses, and are derived from the Company's own experience and industry data. The paid loss emergence pattern is also significant to excess and assumed workers' compensation reserves because those reserves are discounted to their estimated present value based upon such estimated payout patterns. Management believes the estimates and assumptions it makes in the reserving process provide the best estimate of the ultimate cost of settling claims and related expenses with respect to insured events which have occurred; however, different assumptions and variables could lead to significantly different reserve estimates.

Loss frequency and severity are measures of loss activity that are considered in determining the key assumptions described in our discussion of loss and loss expense reserves, including expected loss ratios, rate of loss cost inflation and reported and paid loss emergence patterns. Loss frequency is a measure of the number of claims per unit of insured exposure, and loss severity is a measure of the average size of claims. Factors affecting loss frequency include the effectiveness of loss controls and safety programs and changes in economic activity or weather patterns. Factors affecting loss severity include changes in policy limits, retentions, rate of inflation and judicial interpretations.

Another factor affecting estimates of loss frequency and severity is the loss reporting lag, which is the period of time between the occurrence of a loss and the date the loss is reported to the Company. The length of the loss reporting lag affects our ability to accurately predict loss frequency (loss frequencies are more predictable for lines with short reporting lags) as well as the amount of reserves needed for incurred but not reported losses (less IBNR is required for lines with short reporting lags). As a result, loss reserves for lines with short reporting lags are likely to have less variation from initial loss estimates. For lines with short reporting lags, which include auto, primary workers' compensation, other liability (claims-made) and property business, the key assumption is the loss emergence pattern used to project ultimate loss estimates from known losses paid or reported to date. For lines of business with long reporting lags, which include other liability (occurrence), products liability, excess workers' compensation and liability reinsurance, the key assumption is the expected loss ratio since there is often little paid or incurred loss data to consider. Historically, the Company has experienced less variation from its initial loss estimates for lines of business with short reporting lags than for lines of business with long reporting lags.

The key assumptions used in calculating the most recent estimate of the loss reserves are reviewed each quarter and adjusted, to the extent necessary, to reflect the latest reported loss data, current trends and other factors observed. If the actual level of loss frequency and severity are higher or lower than expected, the ultimate losses will be different than management's estimate. The following table reflects the impact of changes (which could be favorable or unfavorable) in frequency and severity, relative to our assumptions, on our loss estimate for claims occurring in 2024:

(In thousands)	**Frequency (+/-)**		
Severity (+/-)	**1%**	**5%**	**10%**
1%	$ 126,867	$ 381,863	$ 700,608
5%	381,863	646,957	978,326
10%	700,608	978,326	1,325,474

Our net reserves for losses and loss expenses of approximately $17.0 billion as of September 30, 2024 relate to multiple accident years. Therefore, the impact of changes in frequency or severity for more than one accident year could be higher or lower than the amounts reflected above. The impact of such changes would likely be manifested gradually over the course of many years, as the magnitude of the changes became evident.

Approximately $3.3 billion, or 19.7%, of the Company's net loss reserves as of September 30, 2024 relate to the Reinsurance & Monoline Excess segment. There is a higher degree of uncertainty and greater variability regarding estimates of excess workers' compensation and assumed reinsurance loss reserves, which predominantly comprise these reserves. In the case of excess workers' compensation, our policies generally attach at $1 million or higher. The claims which reach our layer therefore tend to involve the most serious injuries and many remain open for the lifetime of the claimant, which extends the claim settlement tail. These claims also occur less frequently but tend to be larger than primary claims, which increases claim variability. In the case of assumed reinsurance our loss reserve estimates are based, in part, upon information received from ceding companies. If information received from ceding companies is not timely or correct, the Company's estimate of ultimate losses may not be accurate. Furthermore, due to delayed reporting of claim information by ceding companies, the claim settlement tail for assumed reinsurance is also extended. Management considers the impact of delayed reporting and the extended tail in its selection of loss development factors for these lines of business.

Information received from ceding companies is used to set initial expected loss ratios, to establish case reserves and to estimate reserves for incurred but not reported losses on assumed reinsurance business. This information, which is generally provided through reinsurance intermediaries, is gathered through the underwriting process and from periodic claim reports and other correspondence with ceding companies. The Company performs underwriting and claim audits of selected ceding companies to determine the accuracy and completeness of information provided to the Company. The information received from the ceding companies is supplemented by the Company's own loss development experience with similar lines of business as well as industry loss trends and loss development benchmarks.

Following is a summary of the Company's reserves for losses and loss expenses by business segment:

(In thousands)	September 30, 2024	December 31, 2023
Insurance	$ 13,644,469	$ 12,430,202
Reinsurance & Monoline Excess	3,346,832	3,231,618
Net reserves for losses and loss expenses	16,991,301	15,661,820
Ceded reserves for losses and loss expenses	3,164,009	3,077,832
Gross reserves for losses and loss expenses	$ 20,155,310	$ 18,739,652

Following is a summary of the Company's net reserves for losses and loss expenses by major line of business:

(In thousands)	Reported Case Reserves	Incurred But Not Reported	Total
September 30, 2024			
Other liability	$ 2,140,577	$ 5,029,680	$ 7,170,257
Professional liability	612,421	1,499,487	2,111,908
Workers' compensation (1)	1,047,541	782,736	1,830,277
Auto	701,657	885,357	1,587,014
Short-tail lines (2)	394,123	550,890	945,013
Total Insurance	4,896,319	8,748,150	13,644,469
Reinsurance & Monoline Excess (1) (3)	1,670,673	1,676,159	3,346,832
Total	$ 6,566,992	$ 10,424,309	$ 16,991,301
December 31, 2023			
Other liability	$ 1,912,594	$ 4,607,507	$ 6,520,101
Professional liability	527,555	1,438,102	1,965,657
Workers' compensation (1)	1,019,445	790,944	1,810,389
Auto	645,707	700,850	1,346,557
Short-tail lines (2)	375,129	412,369	787,498
Total Insurance	4,480,430	7,949,772	12,430,202
Reinsurance & Monoline Excess (1) (3)	1,673,581	1,558,037	3,231,618
Total	$ 6,154,011	$ 9,507,809	$ 15,661,820

(1) Reserves for workers' compensation and Reinsurance & Monoline Excess are net of an aggregate net discount of $399 million and $390 million as of September 30, 2024 and December 31, 2023, respectively.

(2) Short-tail lines include commercial multi-peril (non-liability), inland marine, accident and health, fidelity and surety, boiler and machinery, high net worth homeowners and other lines.

(3) Reinsurance & Monoline Excess includes property and casualty reinsurance, as well as operations that solely retain risk on an excess basis and certain program management business.

The Company evaluates reserves for losses and loss adjustment expenses on a quarterly basis. Changes in estimates of prior year losses are reported when such changes are made. The changes in prior year loss reserve estimates are generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims and aggregate claim trends.

Certain of the Company's insurance and reinsurance contracts are retrospectively rated, whereby the Company collects more or less premiums based on the level of loss activity. For those contracts, changes in loss and loss adjustment expenses for prior years may be fully or partially offset by additional or return premiums.

Net prior year development (i.e., the sum of prior year reserve changes and prior year earned premiums changes) for the nine months ended September 30, 2024 and 2023 are as follows:

(In thousands)	2024	2023
Increase in prior year loss reserves	$ (15,279)	$ (27,186)
Increase in prior year earned premiums	18,126	7,291
Net favorable (unfavorable) prior year development	$ 2,847	$ (19,895)

The ultimate net impact of COVID-19 on the Company's reserves remains uncertain. As of September 30, 2024, the Company had recognized losses for COVID-19-related claims activity, net of reinsurance, of approximately $382 million, of which $325 million relates to the Insurance segment and $57 million relates to the Reinsurance & Monoline Excess segment. Such $382 million of COVID-19-related losses included $379 million of reported losses and $3 million of IBNR.

During the nine months ended September 30, 2024, favorable prior year development (net of additional and return premiums) of $3 million included $5 million for the Reinsurance & Monoline Excess segment partially offset by $2 million of adverse prior year development for the Insurance segment.

For the Insurance segment, the adverse development during the first nine months of 2024 was driven by commercial auto liability and other liability (mainly umbrella and excess liability), which was largely offset by favorable development for workers' compensation and professional liability. The adverse commercial auto liability development was concentrated in accident years 2020 through 2023. The other liability development was mainly driven by umbrella and excess liability claims, and was focused in accident years 2017 through 2021. A significant portion of the umbrella and excess liability development related to underlying commercial auto exposures. The Company believes that commercial auto-related claims are being particularly impacted by social inflation, which is contributing to an increase in the frequency of large losses beyond expectations. Social inflation can include higher settlement demands from plaintiffs, use of aggressive actions by the plaintiffs' bar such as litigation funding, negative public sentiment towards large businesses and corporations, and erosion of tort reforms, among other factors.

The favorable workers' compensation development for the Insurance segment was mainly related to accident years 2017 through 2023, while the favorable professional liability development was mainly in accident years 2020 through 2022. For workers' compensation, favorable reported claim frequency, below expectations, continued to be the main driver of the favorable reserve development. For professional liability, reported loss experience for accident years 2020 through 2022 was better than expected, which drove the favorable reserve development. These accident years also feature business written at peak pricing levels, which the Company now believes will result in higher profitability than initially anticipated.

For the Reinsurance & Monoline Excess segment, the favorable development during the first nine months of 2024 was driven mainly by favorable development in excess workers' compensation, partially offset by adverse development in the non-proportional reinsurance assumed liability line of business. The favorable excess workers' compensation development was driven by continued lower claim frequency and reported losses relative to expectations, and to favorable claim settlements spread across many prior accident years. The unfavorable development for non-proportional reinsurance was concentrated mainly in accident years 2015 through 2019 and was associated primarily with our U.S. and U.K. excess general liability reinsurance businesses, including coverage for cedants insuring construction projects.

During the nine months ended September 30, 2023, adverse prior year development (net of additional and return premiums) of $20 million included $21 million of adverse development for the Insurance segment, partially offset by $1 million of favorable development for the Reinsurance & Monoline Excess segment.

Such adverse development during the nine months ended September 30, 2023 was concentrated in the first quarter, with $24 million of adverse development (net of additional and return premiums) recorded in the first quarter, partially offset by favorable development totaling $4 million recorded during the second and third quarters. The recorded adverse development during the first quarter in both business segments was due to property catastrophe losses related to 2022 events which were still being adjusted and settled. In particular, losses related to U.S. winter storms which occurred during the month of December 2022 were a significant driver of the development, as information gathering and evaluation of many of these losses were still ongoing into the new year.

For the Insurance segment, in addition to the property prior year adverse development discussed above, the adverse development during the nine months ended September 30, 2023 included adverse prior year development on casualty lines for the 2016 through 2019 accident years, which was largely offset by favorable prior year development on casualty lines for the 2020 through 2022 accident years. The adverse development on the 2016 through 2019 accident years was concentrated in the general liability line of business, and to a lesser degree professional liability, including medical professional, and commercial auto liability. The development, which particularly impacted business attaching excess of primary policy limits, was driven by a larger than expected number of large losses reported. The Company believes social inflation is contributing to an increase in the frequency of large losses for these accident years. Social inflation can include higher settlement demands from plaintiffs, use of tactics such as litigation funding by the plaintiffs' bar, negative public sentiment towards large businesses and corporations, and erosion of tort reforms, among others.

The favorable prior year development on casualty lines for the 2020 through 2022 accident years in the Insurance segment was concentrated in the professional liability, workers' compensation, and general liability lines of business. Due to uncertainty regarding incurred loss frequency and severity in light of ongoing social inflation and the impacts of the COVID-19 pandemic, the Company set its initial loss ratios for the 2020 through 2022 accident years prudently, and largely maintained these estimates through the end of each respective accident year. The reported loss experience to date for these lines of business for the 2020 through 2022 accident years has been significantly better than was expected, and the Company began to react to this favorable emergence as the accident years matured beyond the age of 12 months. However, commercial auto liability experienced adverse prior year development for the 2020 through 2022 accident years, partially offsetting the favorable development discussed above, which was driven by a larger than expected number of large losses reported.

For the Reinsurance & Monoline Excess segment, the favorable development during the nine months ended September 30, 2023 was driven mainly by favorable development in excess workers' compensation, largely offset by adverse development in property (discussed above), non-proportional reinsurance assumed liability, and commercial auto liability lines of business. The favorable excess workers' compensation development was driven by continued lower claim frequency and reported losses relative to our expectations, and to favorable claim settlements. The favorable development was spread across many prior accident years. The adverse development on reinsurance assumed liability was associated primarily with our U.S. assumed reinsurance business, and related to accounts reinsuring excess and umbrella business and construction projects. The adverse development was concentrated mainly in accident years 2017 through 2020. The adverse development on commercial auto liability was concentrated in the 2022 accident year and related to commercial auto program business.

Reserve Discount. The Company discounts its liabilities for certain workers' compensation reserves. The amount of workers' compensation reserves that were discounted was $1,346 million and $1,352 million at September 30, 2024 and December 31, 2023, respectively. The aggregate net discount for those reserves, after reflecting the effects of ceded reinsurance, was $399 million and $390 million at September 30, 2024 and December 31, 2023, respectively. At September 30, 2024, discount rates by year ranged from 0.7% to 6.5%, with a weighted average discount rate of 3.5%.

Substantially all of the workers' compensation discount (97% of total discounted reserves at September 30, 2024) relates to excess workers' compensation reserves. In order to properly match loss expenses with income earned on investment securities supporting the liabilities, reserves for excess workers' compensation business are discounted using risk-free discount rates determined by reference to the U.S. Treasury yield curve. These rates are determined annually based on the weighted average rate for the period. Once established, no adjustments are made to the discount rate for that period, and any increases or decreases in loss reserves in subsequent years are discounted at the same rate, without regard to when any such adjustments are recognized. The expected loss and loss expense payout patterns subject to discounting are derived from the Company's loss payout experience.

The Company also discounts reserves for certain other long-duration workers' compensation reserves (representing approximately 3% of total discounted reserves at September 30, 2024), including reserves for quota share reinsurance and reserves related to losses regarding occupational lung disease. These reserves are discounted at statutory rates permitted by the Department of Insurance of the State of Delaware.

Assumed Reinsurance Premiums. The Company estimates the amount of assumed reinsurance premiums that it will receive under treaty reinsurance agreements at the inception of the contracts. These premium estimates are revised as the actual amount of assumed premiums is reported to the Company by the ceding companies. As estimates of assumed premiums are made or revised, the related amount of earned premiums, commissions and incurred losses associated with those premiums are recorded. Estimated assumed premiums receivable were approximately $55 million at September 30, 2024 and $65 million at December 31, 2023. The assumed premium estimates are based upon terms set forth in reinsurance agreements, information received from ceding companies during the underwriting and negotiation of agreements, reports received from ceding companies and discussions and correspondence with reinsurance intermediaries. The Company also considers its own view of market conditions, economic trends and experience with similar lines of business. These premium estimates represent management's best estimate of the ultimate amount of premiums to be received under its assumed reinsurance agreements.

Allowance for Expected Credit Losses on Investments.

Fixed Maturity Securities – For fixed maturity securities in an unrealized loss position where the Company intends to sell, or it is more likely than not that it will be required to sell the security before recovery in value, the amortized cost basis is written down to fair value through net investment gains (losses). For fixed maturity securities in an unrealized loss position where the Company does not intend to sell, or it is more likely than not that it will not be required to sell the security before recovery in value, the Company evaluates whether the decline in fair value has resulted from credit losses or all other factors (non-credit factors). In making this assessment, the Company considers the extent to which fair value is less than amortized cost, changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis, an allowance for expected credit losses is recorded for the credit loss through net investment gains (losses), limited by the amount that the fair value is less than the amortized cost basis. The allowance is adjusted for any change in expected credit losses and subsequent recoveries through net investment gains (losses). The impairment related to non-credit factors is recognized in other comprehensive income (loss).

The Company's credit assessment of allowance for expected credit losses uses a third party model for available for sale and held to maturity securities, as well as loans receivable. The allowance for expected credit losses is generally based on the performance of the underlying collateral under various economic and default scenarios that involve subjective judgments and estimates by management. Modeling these securities involves various factors, such as projected default rates, the nature and realizable value of the collateral, if any, the ability of the issuer to make scheduled payments, historical performance and other relevant economic and performance factors. A discounted cash flow analysis is used to ascertain the amount of the allowance for expected credit losses, if any. In general, the model reverts to the rating-level long-term average marginal default rates based on 10 years of historical data, beyond the forecast period. For other inputs, the model in most cases reverts to the baseline long-term assumptions linearly over 5 years beyond the forecast period. The long-term assumptions are based on the historical averages.

The Company classifies its fixed maturity securities by credit rating, primarily based on ratings assigned by credit rating agencies. For purposes of classifying securities with different ratings, the Company uses the average of the credit ratings assigned, unless in limited situations the Company's own analysis indicates an internal rating is more appropriate. Securities that are not rated by a rating agency are evaluated and classified by the Company on a case-by-case basis.

A summary of the Company's non-investment grade fixed maturity securities that were in an unrealized loss position at September 30, 2024 is presented in the table below:

($ in thousands)	Number of Securities	Aggregate Fair Value	Gross Unrealized Loss
Foreign government	62	$ 146,049	$ 163,081
State and municipal	5	28,143	1,894
Corporate	9	20,185	568
Mortgage-backed	15	2,930	143
Total	91	$ 197,307	$ 165,686

As of September 30, 2024, the Company has recorded an allowance for expected credit losses on fixed maturity securities of $7 million. The Company has evaluated the remaining fixed maturity securities in an unrealized loss position and believes the unrealized losses are due primarily to temporary market and sector-related factors rather than to issuer-specific factors. None of these securities are delinquent or in default under financial covenants. Based on its assessment of these issuers, the Company expects them to continue to meet their contractual payment obligations as they become due.

Loans Receivable – For loans receivable, the Company estimates an allowance for expected credit losses based on relevant information about past events, including historical loss experience, current conditions and forecasts that affect the expected collectability of the amortized cost of the financial asset. The allowance for expected credit losses is presented as a reduction to amortized cost of the financial asset in the consolidated balance sheet and changes to the estimate for expected credit losses are recognized through net investment gains (losses). Loans receivable are reported net of an allowance for expected credit losses of $1 million and $3 million as of September 30, 2024 and December 31, 2023, respectively.

Fair Value Measurements. The Company's fixed maturity available for sale securities, equity securities, and its arbitrage trading account securities are carried at fair value. Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." The Company utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for similar assets in active markets. Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs may only be used to measure fair value to the extent that observable inputs are not available. The fair value of the vast majority of the Company's portfolio is based on observable data (other than quoted prices) and, accordingly, is classified as Level 2.

In classifying particular financial securities in the fair value hierarchy, the Company uses its judgment to determine whether the market for a security is active and whether significant pricing inputs are observable. The Company determines the existence of an active market by assessing whether transactions occur with sufficient frequency and volume to provide reliable pricing information. The Company determines whether inputs are observable based on the use of such information by pricing services and external investment managers, the uninterrupted availability of such inputs, the need to make significant adjustments to such inputs and the volatility of such inputs over time. If the market for a security is determined to be inactive or if significant inputs used to price a security are determined to be unobservable, the security is categorized in Level 3 of the fair value hierarchy.

Because many fixed maturity securities do not trade on a daily basis, the Company utilizes pricing models and processes which may include benchmark curves, benchmarking of like securities, sector groupings and matrix pricing. Market inputs used to evaluate securities include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data. Quoted prices are often unavailable for recently issued securities that are infrequently traded or securities that are only traded in private transactions. For publicly traded securities for which quoted prices are unavailable, the Company determines fair value based on independent broker quotations and other observable market data. For securities traded only in private negotiations, the Company determines fair value based primarily on the cost of such securities, which is adjusted to reflect prices of recent placements of securities of the same issuer, financial data, projections and business developments of the issuer and other relevant information.

The following is a summary of pricing sources for the Company's fixed maturity securities available for sale as of September 30, 2024:

($ in thousands)	Carrying Value	Percent of Total
Pricing source:		
Independent pricing services	$ 22,087,241	97.6 %
Syndicate manager	107,310	0.5
Directly by the Company based on:		
Observable data	425,398	1.9
Total	$ 22,619,949	100.0 %

Independent pricing services – Substantially all of the Company's fixed maturity securities available for sale were priced by independent pricing services (generally one U.S. pricing service plus additional pricing services with respect to a limited number of foreign securities held by the Company). The prices provided by the independent pricing services are generally based on observable market data in active markets (e.g., broker quotes and prices observed for comparable securities). The determination of whether markets are active or inactive is based upon the volume and level of activity for a particular asset class. The Company reviews the prices provided by pricing services for reasonableness based upon current trading levels for similar securities. If the prices appear unusual to the Company, they are re-examined and the value is either confirmed or revised. In addition, the Company periodically performs independent price tests of a sample of securities to ensure proper valuation and to verify our understanding of how securities are priced. As of September 30, 2024, the Company did not make any adjustments to the prices provided by the pricing services. Based upon the Company's review of the methodologies used by the independent pricing services, these securities were classified as Level 2.

Syndicate manager – The Company has a 15% participation in a Lloyd's syndicate, and the Company's share of the securities owned by the syndicate is priced by the syndicate's manager. The majority of the securities are liquid, short duration fixed maturity securities. The Company reviews the syndicate manager's pricing methodology and audited financial statements and holds discussions with the syndicate manager as necessary to confirm its understanding and agreement with security prices. Based upon the Company's review of the methodologies used by the syndicate manager, these securities were classified as Level 2.

Observable data – If independent pricing is not available, the Company prices the securities directly. Prices are based on observable market data where available, including current trading levels for similar securities and non-binding quotations from brokers. The Company generally requests two or more quotes. If more than one quote is received, the Company sets a price within the range of quotes received based on its assessment of the credibility of the quote and its own evaluation of the security. The Company generally does not adjust quotes obtained from brokers. Since these securities were priced based on observable data, they were classified as Level 2.

Cash flow model – If the above methodologies are not available, the Company prices securities using a discounted cash flow model based upon assumptions as to prevailing credit spreads, interest rates and interest rate volatility, time to maturity and subordination levels. Discount rates are adjusted to reflect illiquidity where appropriate. These securities were classified as Level 3.

Results of Operations for the Nine Months Ended September 30, 2024 and 2023

Business Segment Results

Following is a summary of gross and net premiums written, net premiums earned, loss ratios (losses and loss expenses incurred expressed as a percentage of net premiums earned), expense ratios (underwriting expenses expressed as a percentage of net premiums earned) and GAAP combined ratios (sum of loss ratio and expense ratio) for each of our business segments for the nine months ended September 30, 2024 and 2023. The GAAP combined ratio represents a measure of underwriting profitability, excluding investment income. A GAAP combined ratio in excess of 100 indicates an underwriting loss; a number below 100 indicates an underwriting profit.

($ in thousands)	2024	2023
Insurance:		
Gross premiums written	$ 9,501,027	$ 8,586,193
Net premiums written	7,929,439	7,175,904
Net premiums earned	7,447,828	6,650,027
Loss ratio	63.0 %	62.8 %
Expense ratio	28.4 %	28.2 %
GAAP combined ratio	91.4 %	91.0 %
Reinsurance & Monoline Excess:		
Gross premiums written	$ 1,212,779	$ 1,153,103
Net premiums written	1,105,907	1,058,895
Net premiums earned	1,089,757	1,036,046
Loss ratio	53.2 %	54.8 %
Expense ratio	29.5 %	29.6 %
GAAP combined ratio	82.7 %	84.4 %
Consolidated:		
Gross premiums written	$ 10,713,806	$ 9,739,296
Net premiums written	9,035,346	8,234,799
Net premiums earned	8,537,585	7,686,073
Loss ratio	61.7 %	61.7 %
Expense ratio	28.6 %	28.4 %
GAAP combined ratio	90.3 %	90.1 %

Net Income to Common Stockholders. The following table presents the Company's net income to common stockholders and net income per diluted share for the nine months ended September 30, 2024 and 2023:

(In thousands, except per share data)	2024	2023
Net income to common stockholders	$ 1,180,014	$ 984,020
Weighted average diluted shares	404,053	411,219
Net income per diluted share	$ 2.92	$ 2.39

The Company reported net income to common stockholders of $1,180 million in 2024 compared to $984 million in 2023. The $196 million increase in net income was primarily due to an after-tax increase in net investment income of $212 million mainly due to higher interest rates, a larger fixed maturity securities portfolio and investment income associated with our Argentine inflation-linked securities, an after-tax increase in underwriting income of $54 million due to growth in premium rates, an after-tax reduction in corporate expenses of $7 million, an after-tax increase in profits from non-insurance businesses of $4 million, an after-tax increase in profit from insurance service businesses of $3 million and an after-tax increase in minority interest of $2 million, partially offset by an after-tax reduction in net investment gains of $61 million mainly due to the foreign currency losses from Argentine peso-denominated investments and reversal of prior unrealized gains on equity securities, an increase of $23 million in tax expense due to a change in the effective tax rate and an after-tax reduction in foreign currency gains of $2 million. The number of weighted average diluted shares decreased 7.2 million for 2024 compared to 2023, mainly reflecting shares repurchased in 2024 and 2023.

Premiums. Gross premiums written were $10,714 million in 2024, an increase of 10% from $9,739 million in 2023. The increase was due to a $915 million increase in the Insurance segment and a $60 million increase in the Reinsurance &

Monoline Excess segment. Approximately 80.9% of premiums expiring in 2024 were renewed, and 80.0% of premiums expiring in 2023 were renewed.

Average renewal rates (per unit of exposure) for insurance and facultative reinsurance increased 7.0% in 2024, and increased 8.0% excluding workers' compensation.

A summary of gross premiums written in 2024 compared with 2023 by line of business within each business segment follows:

- Insurance - gross premiums increased 11% to $9,501 million in 2024 from $8,586 million in 2023. Gross premiums increased $399 million (12%) for other liability, $370 million (17%) for short-tail lines, $139 million (13%) for auto, $6 million (1%) for professional liability and $1 million (less than 1%) for workers' compensation.

- Reinsurance & Monoline Excess - gross premiums increased 5% to $1,213 million in 2024 from $1,153 million in 2023. Gross premiums increased $61 million (20%) for property and $23 million (10%) for monoline excess, partially offset by a reduction of $24 million (4%) for casualty.

Net premiums written were $9,035 million in 2024, an increase of 10% from $8,235 million in 2023. Ceded reinsurance premiums as a percentage of gross written premiums were 16% in 2024 and 15% in 2023.

Premiums earned increased 11% to $8,538 million in 2024 from $7,686 million in 2023. Insurance premiums (including the impact of rate changes) are generally earned evenly over the policy term, and accordingly, recent rate increases will be earned over the upcoming quarters. Premiums earned in 2024 are related to business written during both 2024 and 2023. Audit premiums were $270 million in 2024 compared with $271 million in 2023.

Net Investment Income. Following is a summary of net investment income for the nine months ended September 30, 2024 and 2023:

	Amount		Average Annualized Yield	
($ in thousands)	2024	2023	2024	2023
Fixed maturity securities, including cash and cash equivalents and loans receivable	$ 954,655	$ 653,200	5.4 %	4.2 %
Arbitrage trading account	52,562	53,168	5.8	5.9
Equity securities	35,924	41,714	4.9	5.0
Investment funds	868	5,444	0.1	0.5
Real estate	(20,579)	(7,821)	(2.2)	(0.8)
Gross investment income	1,023,430	745,705	4.8	3.8
Investment expenses	(7,707)	(6,211)	—	—
Total	$ 1,015,723	$ 739,494	4.7 %	3.8 %

Net investment income increased 37% to $1,016 million in 2024 from $739 million in 2023 due primarily to a $302 million increase in income from fixed maturity securities mainly driven by higher interest rates, a larger fixed maturity securities portfolio and our Argentine inflation-linked securities which is not expected to continue at this level (see below for further discussion), partially offset by a $13 million decrease in real estate, a $6 million decrease in equity securities, a $5 million decrease in income from investment funds and a $1 million increase in investment expenses. The Company expects investment income to benefit as it continues to invest maturing securities at the current higher rates. The Company maintained the shortened duration of 2.4 years for its fixed maturity security portfolio, thereby reducing the potential impact of mark-to-market on the portfolio and positioning the Company to react quickly to changes in the current interest rate environment. Average invested assets, at cost (including cash and cash equivalents), were $28.6 billion in 2024, up 9% from $26.1 billion in 2023.

Pre-tax net investment income associated with the Argentine inflation-linked securities for the nine months ended September 30, 2024 was $183 million. Such investment income increased as a result of an adjustment to the inflation rate that was made by the Argentine government in late 2023. As certain of our Argentine bonds matured and were sold in the first nine months of 2024 and the inflation rate has continued to decline, we do not expect investment income relating to these securities to continue at this level. The proceeds from the Argentine inflation-linked securities that matured and were sold in the first nine months of 2024 have been reinvested.

Insurance Service Fees. The Company earns fees from an insurance distribution business (part of which was sold in June 2023), a third-party administrator and as a servicing carrier of workers' compensation assigned risk plans for certain states. Insurance service fees were $82 million in 2024 and $81 million in 2023.

Net Realized and Unrealized (Losses) Gains on Investments. The Company buys and sells securities and other investment assets on a regular basis in order to maximize its total return on investments. Decisions to sell securities and other investment assets are based on management's view of the underlying fundamentals of specific investments as well as management's expectations regarding interest rates, credit spreads, currency values and general economic conditions. Net realized and unrealized losses on investments were $72 million in 2024 compared with net gains of $50 million in 2023. The losses of $72 million in 2024 reflected an increase in unrealized losses on equity securities of $42 million and net realized losses on investments of $30 million. The gains of $50 million in 2023 reflected net realized gains on investments of $5 million (primarily a pre-tax net realized gain of $88 million on the sale of the property and casualty insurance services division of Breckenridge IS, Inc., partially offset by an impairment of $72 million recognized on a real estate investment) and an increase in unrealized gains on equity securities of $45 million.

Change in Allowance for Expected Credit Losses on Investments. Based on credit factors, the allowance for expected credit losses is increased or decreased depending on the percentage of unrealized loss relative to amortized cost by security, changes in rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. The pre-tax change in allowance for expected credit losses on investments reflected in net investment (losses) gains, decreased by $31 million ($24 million after-tax) in 2024 due to improved pricing associated with foreign government securities and corporate securities, and increased by $11 million ($9 million after-tax) in 2023 due to a change in estimate.

Revenues from Non-Insurance Businesses. Revenues from non-insurance businesses were derived from businesses engaged in the distribution of promotional merchandise, world-wide textile solutions and aviation-related businesses that provide services to aviation markets, including (i) the distribution, manufacturing, repair and overhaul of aircraft parts and components, (ii) the sale of new and used aircraft, and (iii) avionics, fuel, maintenance, storage and charter services. Revenues from non-insurance businesses were $375 million in both 2024 and 2023.

Losses and Loss Expenses. Losses and loss expenses increased to $5,270 million in 2024 from $4,745 million in 2023. The consolidated loss ratio was 61.7% in both 2024 and 2023. Catastrophe losses, net of reinsurance recoveries, were $218 million in 2024 driven by heightened frequency of severe catastrophe events with Hurricane Helene having the largest impact, along with an above-average number of severe storms, and $163 million in 2023. Favorable prior year reserve development (net of premium offsets) was $3 million in 2024 and adverse prior year reserve development was $20 million in 2023. The loss ratio excluding catastrophe losses and prior year reserve development decreased 0.2 points to 59.2% in 2024 from 59.4% in 2023.

A summary of loss ratios in 2024 compared with 2023 by business segment follows:

- Insurance - The loss ratio was 63.0% in 2024 and 62.8% in 2023. Catastrophe losses were $191 million in 2024 compared with $139 million in 2023. Adverse prior year reserve development was $2 million in 2024 and $21 million in 2023. The loss ratio excluding catastrophe losses and prior year reserve development was 60.4% in both 2024 and 2023.

- Reinsurance & Monoline Excess - The loss ratio was 53.2% in 2024 and 54.8% in 2023. Catastrophe losses were $27 million in 2024 compared with $24 million in 2023. Favorable prior year reserve development was $5 million in 2024 and $1 million in 2023. The loss ratio excluding catastrophe losses and prior year reserve development decreased 1.4 points to 51.2% in 2024 from 52.6% in 2023.

Other Operating Costs and Expenses. Following is a summary of other operating costs and expenses for the nine months ended September 30, 2024 and 2023:

($ in thousands)	**2024**	**2023**
Policy acquisition and insurance operating expenses	$ 2,438,905	$ 2,183,517
Insurance service expenses	66,309	70,336
Net foreign currency losses (gains)	1,324	(1,777)
Other costs and expenses	198,352	205,849
Total	$ 2,704,890	$ 2,457,925

Policy acquisition and insurance operating expenses are comprised of commissions paid to agents and brokers, premium taxes and other assessments and internal underwriting costs. Policy acquisition and insurance operating expenses increased 12% and net premiums earned increased 11% from 2023. The expense ratio (underwriting expenses expressed as a percentage of net premiums earned) increased 0.2 points to 28.6% in 2024 from 28.4% in 2023 mainly due to investments in the business, new start-up operating units, change in business mix and reinsurance structures.

Service expenses, which represent the costs associated with the fee-based businesses, was $66 million in 2024, down from $70 million in 2023, as a result of the sale of the property and casualty insurance services division of Breckenridge IS, Inc.

Net foreign currency losses (gains) result from transactions denominated in a currency other than a company's operating functional currency. Net foreign currency losses were $1 million in 2024 compared with the gains of $2 million in 2023.

Other costs and expenses represent general and administrative expenses of the parent company and other expenses not allocated to business segments, including the cost of certain long-term incentive plans and new business ventures. Other costs and expenses decreased to $198 million in 2024 from $206 million in 2023, primarily due to lower new start-up operating unit expenses.

Expenses from Non-Insurance Businesses. Expenses from non-insurance businesses represent costs associated with businesses engaged in the distribution of promotional merchandise, world-wide textile solutions and aviation-related businesses that include (i) cost of goods sold related to aircraft and products sold and services provided, and (ii) general and administrative expenses. Expenses from non-insurance businesses were $365 million in 2024 compared to $370 million in 2023. The decrease mainly relates to the aviation-related business and promotional merchandise business, partially offset by the increase in the textile business.

Interest Expense. Interest expense was $95 million in 2024 and $96 million in 2023.

Income Taxes. The effective income tax rate was 23.2% and 21.4% for the nine months ended September 30, 2024 and 2023, respectively. The higher effective income tax rate for the nine months ended September 30, 2024, as compared to the earlier period, was primarily due to the geographical mix of earnings and larger amounts being subject to tax at a rate greater than the U.S. statutory rate.

The Company has not provided U.S. deferred income taxes on the undistributed earnings of approximately $445 million of its non-U.S. subsidiaries since these earnings are intended to be permanently reinvested in the non-U.S. subsidiaries. In the future, if such earnings were distributed, the Company projects that the incremental tax, if any, will be immaterial.

Starting in 2023, as part of the Inflation Reduction Act of 2022, a 1% excise tax is imposed on common share repurchase activity, net of common share issuances, and is included in the cost of treasury stock acquired.

Results of Operations for the Three Months Ended September 30, 2024 and 2023

Business Segment Results

Following is a summary of gross and net premiums written, net premiums earned, loss ratios (losses and loss expenses incurred expressed as a percentage of net premiums earned), expense ratios (underwriting expenses expressed as a percentage of net premiums earned) and GAAP combined ratios (sum of loss ratio and expense ratio) for each of our business segments for the three months ended September 30, 2024 and 2023. The GAAP combined ratio represents a measure of underwriting profitability, excluding investment income. A GAAP combined ratio in excess of 100 indicates an underwriting loss; a number below 100 indicates an underwriting profit.

($ in thousands)	2024	2023
Insurance:		
Gross premiums written	$ 3,219,128	$ 2,965,787
Net premiums written	2,673,275	2,484,626
Net premiums earned	2,564,490	2,291,917
Loss ratio	63.1 %	62.8 %
Expense ratio	28.4 %	28.2 %
GAAP combined ratio	91.5 %	91.0 %
Reinsurance & Monoline Excess:		
Gross premiums written	$ 414,150	$ 387,418
Net premiums written	384,001	363,833
Net premiums earned	362,333	349,997
Loss ratio	57.0 %	56.5 %
Expense ratio	29.7 %	28.8 %
GAAP combined ratio	86.7 %	85.3 %
Consolidated:		
Gross premiums written	$ 3,633,278	$ 3,353,205
Net premiums written	3,057,276	$ 2,848,459
Net premiums earned	2,926,823	$ 2,641,914
Loss ratio	62.4 %	61.9 %
Expense ratio	28.5 %	28.3 %
GAAP combined ratio	90.9 %	90.2 %

Net Income to Common Stockholders. The following table presents the Company's net income to common stockholders and net income per diluted share for the three months ended September 30, 2024 and 2023:

(In thousands, except per share data)	2024	2023
Net income to common stockholders	$ 365,634	$ 333,586
Weighted average diluted shares	401,817	407,158
Net income per diluted share	$ 0.91	$ 0.82

The Company reported net income to common stockholders of $366 million in 2024 compared to $334 million in 2023. The $32 million increase in net income was primarily due to an after-tax increase in net investment income of $41 million mainly due to higher interest rates and a larger fixed maturity securities portfolio, an after-tax reduction in net investment losses of $26 million mainly due to an impairment recognized on a real estate investment and reversal of prior unrealized gains on equity securities in 2023, an after-tax increase in underwriting income of $5 million, an after-tax increase in profit from insurance service businesses of $4 million, an after-tax reduction in corporate expenses of $1 million and an after-tax increase in profits from non-insurance businesses of $1 million, partially offset by an after-tax increase in foreign currency losses of $36 million mainly due to the U.S. dollar weakening against other major currencies in 2024 and an increase of $10 million in tax expense due to a change in the effective tax rate. The number of weighted average diluted shares decreased 5.4 million for 2024 compared to 2023, mainly reflecting shares repurchased in 2024 and 2023.

Premiums. Gross premiums written were $3,633 million in 2024, an increase of 8% from $3,353 million in 2023. The increase was due to a $253 million increase in the Insurance segment and a $27 million increase in the Reinsurance & Monoline Excess segment. Approximately 81.1% of premiums expiring in 2024 and 80.5% of premiums expiring in 2023 were renewed.

Average renewal rates (per unit of exposure) for insurance and facultative reinsurance increased 7.2% in 2024, and increased 8.4% excluding workers' compensation.

A summary of gross premiums written in 2024 compared with 2023 by line of business within each business segment follows:

- Insurance - gross premiums increased 9% to $3,219 million in 2024 from $2,966 million in 2023. Gross premiums increased $108 million (15%) for short-tail lines, $100 million (9%) for other liability, $27 million (7%) for auto and $18 million (5%) for professional liability.

- Reinsurance & Monoline Excess - gross premiums increased 7% to $414 million in 2024 from $387 million in 2023. Gross premiums increased $16 million (15%) for property and $8 million (9%) for monoline excess and $3 million (1%) for casualty.

Net premiums written were $3,057 million in 2024, an increase of 7% from $2,848 million in 2023. Ceded reinsurance premiums as a percentage of gross written premiums were 16% in 2024 and 15% in 2023.

Premiums earned increased 11% to $2,927 million in 2024 from $2,642 million in 2023. Insurance premiums (including the impact of rate changes) are generally earned evenly over the policy term, and accordingly, recent rate increases will be earned over the upcoming quarters. Premiums earned in 2024 are related to business written during both 2024 and 2023. Audit premiums were $86 million in 2024 compared with $88 million in 2023 due to an increase in exposures.

Net Investment Income. Following is a summary of net investment income for the three months ended September 30, 2024 and 2023:

	Amount		Average Annualized Yield	
($ in thousands)	**2024**	**2023**	**2024**	**2023**
Fixed maturity securities, including cash and cash equivalents and loans receivable	$ 295,272	$ 239,727	4.9 %	4.5 %
Arbitrage trading account	17,869	17,876	6.0	5.9
Equity securities	12,203	12,714	5.1	4.7
Investment funds	4,741	4,450	1.2	1.1
Real estate	(3,711)	(1,986)	(1.2)	(0.6)
Gross investment income	326,374	272,781	4.4	4.1
Investment expenses	(2,618)	(1,837)	—	—
Total	$ 323,756	$ 270,944	4.4 %	4.1 %

Net investment income increased 20% to $324 million in 2024 from $271 million in 2023 due primarily to a $56 million increase in income from fixed maturity securities mainly driven by higher interest rates and a larger fixed maturity securities portfolio (but with no material impact from our Argentine inflation-linked securities compared to the prior year quarter, unlike the first two quarters of 2024), partially offset by a $2 million decrease in real estate and a $1 million increase in investment expenses. The Company expects investment income to benefit as it continues to invest maturing securities at the current higher rates. The Company maintained the shortened duration of 2.4 years for its fixed maturity security portfolio, thereby reducing the potential impact of mark-to-market on the portfolio and positioning the Company to react quickly to changes in the current interest rate environment. Average invested assets, at cost (including cash and cash equivalents), were $29.3 billion in 2024 and $26.7 billion in 2023.

Insurance Service Fees. The Company earns fees from an insurance distribution business, a third-party administrator and as a servicing carrier of workers' compensation assigned risk plans for certain states. Insurance service fees increased to $29 million in 2024 from $23 million in 2023 due to an acquisition in the insurance distribution business in late 2023.

Net Realized and Unrealized (Losses) Gains on Investments. The Company buys and sells securities and other investment assets on a regular basis in order to maximize its total return on investments. Decisions to sell securities and other investment assets are based on management’s view of the underlying fundamentals of specific investments as well as management’s expectations regarding interest rates, credit spreads, currency values and general economic conditions. Net realized and unrealized losses on investments were $23 million in 2024 compared with $41 million in 2023. The losses of $23 million in 2024 reflected net realized losses on investments of $22 million and an increase in unrealized losses on equity securities of $1 million. The losses of $41 million in 2023 reflected net realized losses on investments of $22 million (primarily due to an impairment of $21 million recognized on a real estate investment) and an increase in unrealized losses on equity securities of $19 million.

Change in Allowance for Expected Credit Losses on Investments. Based on credit factors, the allowance for expected credit losses is increased or decreased depending on the percentage of unrealized loss relative to amortized cost by security, changes in rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. The pre-tax change in allowance for expected credit losses on investments reflected in net investment (losses) gains, decreased by $15 million ($12 million after-tax) in 2024 due to improved pricing associated with foreign government securities, and increased by $2 million ($1 million after-tax) in 2023 due to a change in estimate.

Revenues from Non-Insurance Businesses. Revenues from non-insurance businesses were derived from businesses engaged in the distribution of promotional merchandise, world-wide textile solutions and aviation-related businesses that provide services to aviation markets, including (i) the distribution, manufacturing, repair and overhaul of aircraft parts and components, (ii) the sale of new and used aircraft, and (iii) avionics, fuel, maintenance, storage and charter services. Revenues from non-insurance businesses decreased to $129 million in 2024 from $137 million in 2023 mainly due to the aviation-related business.

Losses and Loss Expenses. Losses and loss expenses increased to $1,826 million in 2024 from $1,636 million in 2023. The consolidated loss ratio was 62.4% in 2024 and 61.9% in 2023. Catastrophe losses, net of reinsurance recoveries were $98 million in 2024, primarily due to four hurricanes during the quarter with Helene having the largest impact, and $62 million in 2023. Favorable prior year reserve development (net of premium offsets) was $1 million in both 2024 and 2023. The loss ratio excluding catastrophe losses and prior year reserve development decreased by 0.5 points to 59.1% in 2024 from 59.6% in 2023, due to lower attritional property losses and change in business mix.

A summary of loss ratios in 2024 compared with 2023 by business segment follows:

- Insurance - The loss ratio was 63.1% in 2024 and 62.8% in 2023. Catastrophe losses were $77 million in 2024 compared with $46 million in 2023. Favorable prior year reserve development was $3 million in 2024 and adverse prior year development was $2 million in 2023. The loss ratio excluding catastrophe losses and prior year reserve development decreased 0.5 points to 60.2% in 2024 from 60.7% in 2023.

- Reinsurance & Monoline Excess - The loss ratio was 57.0% in 2024 and 56.5% in 2023. Catastrophe losses were $21 million in 2024 compared with $16 million in 2023. Adverse prior year reserve development was $2 million in 2024 and favorable prior year reserve development was $3 million in 2023. The loss ratio excluding catastrophe losses and prior year reserve development decreased 2.2 points to 50.7% in 2024 from 52.9% in 2023.

Other Operating Costs and Expenses. Following is a summary of other operating costs and expenses for the three months ended September 30, 2024 and 2023:

($ in thousands)	**2024**	**2023**
Policy acquisition and insurance operating expenses	$ 835,376	$ 747,007
Insurance service expenses	21,786	21,225
Net foreign currency losses (gains)	24,619	(22,498)
Other costs and expenses	61,584	62,935
Total	$ 943,365	$ 808,669

Policy acquisition and insurance operating expenses are comprised of commissions paid to agents and brokers, premium taxes and other assessments and internal underwriting costs. Policy acquisition and insurance operating expenses increased 12% and net premiums earned increased 11% from 2023. The expense ratio (underwriting expenses expressed as a percentage of net premiums earned) increased 0.2 points to 28.5% in 2024 from 28.3% in 2023 mainly due to investments in the business, new start-up operating units, change in business mix and reinsurance structures.

Service expenses, which represent the costs associated with the fee-based businesses, were $22 million in 2024 and $21 million in 2023.

Net foreign currency (losses) gains result from transactions denominated in a currency other than a company's operating functional currency. Net foreign currency losses were $25 million in 2024 compared with the gains of $22 million in 2023, primarily due to the U.S. dollar weakening against other major currencies in 2024.

Other costs and expenses represent general and administrative expenses of the parent company and other expenses not allocated to business segments, including the cost of certain long-term incentive plans and new business ventures. Other costs and expenses decreased to $62 million in 2024 from $63 million in 2023.

Expenses from Non-Insurance Businesses. Expenses from non-insurance businesses represent costs associated with businesses engaged in the distribution of promotional merchandise, world-wide textile solutions and aviation-related businesses that include (i) cost of goods sold related to aircraft and products sold and services provided, and (ii) general and administrative expenses. Expenses from non-insurance businesses decreased to $125 million in 2024 from $134 million in 2023 mainly due to aviation-related business.

Interest Expense. Interest expense was $32 million in both 2024 and 2023.

Income Taxes. The effective income tax rate was 23.0% and 20.6% for the three months ended September 30, 2024 and 2023, respectively. The effective income tax rate increased for the three months ended September 30, 2024, primarily due to the geographical mix of earnings and larger amounts being subject to tax at a rate greater than the U.S. statutory rate.

The Company has not provided U.S. deferred income taxes on the undistributed earnings of approximately $445 million of its non-U.S. subsidiaries since these earnings are intended to be permanently reinvested in the non-U.S. subsidiaries. In the future, if such earnings were distributed, the Company projects that the incremental tax, if any, will be immaterial.

Starting in 2023, as part of the Inflation Reduction Act of 2022, a 1% excise tax is imposed on common share repurchase activity, net of common share issuances, and is included in the cost of treasury stock acquired.

Investments

As part of its investment strategy, the Company establishes a level of cash and highly liquid short-term and intermediate-term securities that, combined with expected cash flow, it believes is adequate to meet its payment obligations. In addition to fixed maturity securities, the Company invests in equity securities, merger arbitrage securities, investment funds, private equity, loans and real estate related assets. The Company's investments in investment funds and its other alternative investments have experienced, and the Company expects to continue to experience, greater fluctuations in investment income.

The Company also attempts to maintain an appropriate relationship between the average duration of the investment portfolio and the approximate duration of its liabilities (i.e., policy claims and debt obligations). The average duration of the fixed maturity portfolio, including cash and cash equivalents, was 2.4 years at both September 30, 2024 and December 31, 2023. The Company’s fixed maturity investment portfolio and investment-related assets as of September 30, 2024 were as follows:

($ in thousands)	Carrying Value	Percent of Total
Fixed maturity securities:		
U.S. government and government agencies	$ 2,070,985	7.0 %
State and municipal:		
Special revenue	1,689,758	5.7
State general obligation	311,953	1.0
Local general obligation	304,114	1.0
Corporate backed	165,155	0.6
Pre-refunded (1)	86,853	0.3
Total state and municipal	2,557,833	8.6
Mortgage-backed:		
Agency	2,424,228	8.2
Commercial	600,881	2.0
Residential-Prime	212,909	0.7
Residential-Alt A	2,352	—
Total mortgage-backed	3,240,370	10.9
Asset-backed	4,107,321	13.8
Corporate:		
Industrial	3,954,408	13.3
Financial	3,348,562	11.3
Utilities	774,398	2.6
Other	775,396	2.6
Total corporate	8,852,764	29.8
Foreign government and foreign government agencies	1,834,605	6.2
Total fixed maturity securities	22,663,878	76.3
Equity securities:		
Common stocks	701,667	2.3
Preferred stocks	346,459	1.2
Total equity securities	1,048,126	3.5
Cash and cash equivalents (2)	1,861,981	6.3
Investment funds	1,607,381	5.4
Real estate	1,297,314	4.4
Arbitrage trading account	820,928	2.8
Loans receivable	389,869	1.3
Total investments	$ 29,689,477	100.0 %

(1) Pre-refunded securities are securities for which an escrow account has been established to fund the remaining payments of principal and interest through maturity. Such escrow accounts are funded almost exclusively with U.S. Treasury and U.S. government agency securities.

(2) Cash and cash equivalents includes trading accounts receivable from brokers and clearing organizations, trading account securities sold but not yet purchased and unsettled purchases.

Fixed Maturity Securities. The Company's investment policy with respect to fixed maturity securities is generally to purchase instruments with the expectation of holding them to their maturity. However, management of the available for sale portfolio is considered necessary to maintain an approximate matching of assets and liabilities as well as to adjust the portfolio as a result of changes in financial market conditions and tax considerations.

The Company's philosophy related to holding or selling fixed maturity securities is based on its objective of maximizing total return. The key factors that management considers in its investment decisions as to whether to hold or sell fixed maturity securities are its view of the underlying fundamentals of specific securities as well as its expectations regarding interest rates, credit spreads and currency values. In a period in which management expects interest rates to rise, the Company may sell longer duration securities in order to mitigate the impact of an interest rate rise on the fair value of the portfolio. Similarly, in a period in which management expects credit spreads to widen, the Company may sell lower quality securities, and in a period in which management expects certain foreign currencies to decline in value, the Company may sell securities denominated in those foreign currencies. The sale of fixed maturity securities in order to achieve the objective of maximizing total return may result in realized gains or losses; however, there is no reason to expect these gains or losses to continue in future periods.

Equity Securities. Equity securities primarily represent investments in common and preferred stocks in companies with potential growth opportunities in different sectors, mainly in the financial institutions, energy and technology sectors.

Investment Funds. At September 30, 2024, the carrying value of investment funds was $1.6 billion, including investments in financial services funds of $460 million, other funds of $378 million (which includes a deferred compensation trust asset of $38 million), transportation funds of $301 million, real estate funds of $190 million, infrastructure funds of $147 million and energy funds of $131 million. Investment funds are generally reported on a one-quarter lag.

Real Estate. Real estate is directly owned property held for investment. At September 30, 2024, real estate properties in operation included a long-term ground lease in Washington D.C., an office complex in New York City and the completed portion of a mixed-use project in Washington D.C. In addition, part of the previously mentioned mixed-use project in Washington D.C. is under development. The Company expects to fund further development costs for the project with a combination of its own funds and external financing.

Arbitrage Trading Account. The arbitrage trading account is comprised of direct investments in arbitrage securities. Merger arbitrage is the business of investing in the securities of publicly held companies that are the targets in announced tender offers and mergers.

Loans Receivable. Loans receivable, which are carried at amortized cost (net of allowance for expected credit losses), had an amortized cost of $390 million and an aggregate fair value of $390 million at September 30, 2024. The amortized cost of loans receivable is net of an allowance for expected credit losses of $1 million as of September 30, 2024. Loans receivable include real estate loans of $388 million that are secured by commercial and residential real estate located primarily in the UK and New York. Real estate loans generally earn interest at fixed or stepped interest rates and have maturities through 2028. Loans receivable include commercial loans of $2 million that are secured by business assets and have fixed interest rates with varying maturities not exceeding 5 years.

Market Risk. The fair value of the Company's investments is subject to risks of fluctuations in credit quality and interest rates. The Company uses various models and stress test scenarios to monitor and manage interest rate risk. The Company attempts to manage its interest rate risk by maintaining an appropriate relationship between the effective duration of the investment portfolio and the approximate duration of its liabilities (i.e., policy claims and debt obligations). The effective duration for the fixed maturity portfolio (including cash and cash equivalents) was 2.4 years at both September 30, 2024 and December 31, 2023.

In addition, the fair value of the Company's international investments is subject to currency risk. The Company attempts to manage its currency risk by matching its foreign currency assets and liabilities where considered appropriate.

Liquidity and Capital Resources

Cash Flow. Cash flow provided from operating activities increased to $2,868 million in the nine months ended September 30, 2024 from $2,231 million in the nine months ended September 30, 2023, primarily due to increased premium receipts.

The Company's insurance subsidiaries' principal sources of cash are premiums, investment income, service fees and proceeds from sales and maturities of portfolio investments. The principal uses of cash are payments for claims, taxes, operating expenses and dividends. The Company expects its insurance subsidiaries to fund the payment of losses with cash received from premiums, investment income and fees. The Company generally targets an average duration for its investment portfolio that is within 1.5 years of the average duration of its liabilities so that portions of its investment portfolio mature throughout the claim cycle and are available for the payment of claims if necessary. In the event operating cash flow and proceeds from maturities and prepayments of fixed income securities are not sufficient to fund claim payments and other cash requirements, the remainder of the Company's cash and investments is available to pay claims and other obligations as they become due. The Company's investment portfolio is highly liquid, with approximately 82% invested in cash, cash equivalents and marketable fixed maturity securities as of September 30, 2024. If the sale of fixed maturity securities were to become necessary, a realized gain or loss equal to the difference between the cost and sales price of securities sold would be recognized.

Debt. At September 30, 2024, the Company had senior notes, subordinated debentures and other debt outstanding with a carrying value of $2,837 million and a face amount of $2,861 million. The maturities of the outstanding debt are $6 million in 2024, $250 million in 2037, $350 million in 2044, $470 million in 2050, $400 million in 2052, $185 million in 2058, $300 million in 2059, $250 million in 2060, and $650 million in 2061.

On April 1, 2022, the Company entered into a senior unsecured revolving credit facility that provides for revolving, unsecured borrowings up to an aggregate of $300 million with a $50 million sublimit for letters of credit. The Company may increase the amount available under the facility to a maximum of $500 million subject to obtaining lender commitments for the increase and other customary conditions. Borrowings under the facility may be used for working capital and other general corporate purposes. All borrowings under the facility must be repaid by April 1, 2027, except that letters of credit outstanding on that date may remain outstanding until April 1, 2028 (or such later date approved by all lenders). Our ability to utilize the facility is conditioned on the satisfaction of representations, warranties and covenants that are customary for facilities of this type. As of September 30, 2024, there were no borrowings outstanding under the facility.

Equity. At September 30, 2024, total common stockholders' equity was $8.4 billion, common shares outstanding were 381,189,906 and stockholders' equity per outstanding share was $22.11. During the nine months ended September 30, 2024, the Company repurchased 4,537,130 shares of its common stock for $236 million. In the third quarter of 2024, the board of directors of the Company declared a regular quarterly cash dividend of $0.08 per share and a special quarterly cash dividend of $0.25 per share. In the second quarter of 2024, the board of directors of the Company declared a regular quarterly cash dividend of $0.08 per share and a special quarterly cash dividend of $0.33 per share. In the first quarter of 2024, the board of directors of the Company declared a regular quarterly cash dividend of $0.07 per share.The number of common shares outstanding excludes shares held in a grantor trust established by the Company for delivery upon settlement of vested but mandatorily deferred RSUs.

Total Capital. Total capitalization (equity, debt and subordinated debentures) was $11.3 billion at September 30, 2024. The percentage of the Company's capital attributable to senior notes, subordinated debentures and other debt was 25% at September 30, 2024 and 28% at December 31, 2023.

Item 3. Quantitative and Qualitative Disclosure About Market Risk

Reference is made to the information under “Investments - Market Risk” under the caption “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Form 10-Q.

Item 4. Controls and Procedures

Disclosure Controls and Procedures. The Company’s management, including its Chief Executive Officer and Chief Financial Officer, has conducted an evaluation of the effectiveness of the Company’s disclosure controls and procedures pursuant to Securities Exchange Act Rule 13a-14 as of the end of the period covered by this quarterly report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company has in place effective controls and procedures designed to ensure that information required to be disclosed by the Company in the reports it files or submits under the Securities Exchange Act of 1934, as amended, and the rules thereunder, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms.

Changes in Internal Control over Financial Reporting. During the quarter ended September 30, 2024, there were no changes in the Company’s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

Please see Note 20 to the notes to the interim consolidated financial statements.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in the Company’s annual report on Form 10-K for the fiscal year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Set forth below is a summary of the shares repurchased by the Company during the three months ended September 30, 2024, and the number of shares remaining authorized for purchase by the Company:

	Total number of shares purchased	**Average price paid per share**	**Total number of shares purchased as part of publicly announced plans or programs**	**Maximum number of shares that may yet be purchased under the plans or programs**
July 2024	238,620	$ 52.30	238,620	15,324,795
August 2024	—	$ —	—	15,324,795
September 2024	—	$ —	—	15,324,795

Item 5. Other Information

None of the Company's directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the quarter ended September 30, 2024, as such terms are defined under Item 408(a) of Regulation S-K.

Item 6. Exhibits

Number	
(10.1)	Form of 2024 Performance-Based Restricted Stock Unit Agreement Under the W. R. Berkley Corporation 2018 Stock Incentive Plan.
(31.1)	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a)/ 15d-14(a).
(31.2)	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a)/ 15d-14(a).
(32.1)	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

W. R. BERKLEY CORPORATION

Date: November 4, 2024	/s/ W. Robert Berkley, Jr. W. Robert Berkley, Jr. President and Chief Executive Officer
Date: November 4, 2024	/s/ Richard M. Baio Richard M. Baio Executive Vice President - Chief Financial Officer

L18.1
(PERFORMANCE BASED)

RESTRICTED STOCK UNIT AGREEMENT
Under the W. R. Berkley Corporation 2018 Stock Incentive Plan

THIS RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), dated as of **_________**, by and between W. R. BERKLEY CORPORATION, a Delaware corporation (the "Company"), and grantee as set forth on Exhibit A hereto (the "Grantee"). Important jurisdiction-specific modifications to this Agreement are contained in Exhibit B hereto and are binding and incorporated herein as set forth in Exhibit B.

W I T N E S S E T H:

WHEREAS, the Grantee is an employee of the Company or one of its Affiliates, and the Company wishes to grant the Grantee a notional interest in shares of the Company's common stock, par value $0.20 per share (the "Stock"), in the form of restricted stock units, as more particularly set forth herein; and

WHEREAS, the Company grants these restricted stock units in exchange for Grantee's performance of the "Obligations" (as defined in Section 3 below) set forth in this Agreement, to give Grantee a proprietary interest in the Company's success, aligning Grantee's interest with those of the other Company stockholders; and

WHEREAS, the Restricted Stock Units (as defined below) granted to Grantee hereunder vest based on the Company's performance during the applicable Performance Period (as defined below), however the delivery of the Stock after vesting is generally deferred until one hundred and eighty (180) days following Grantee's "separation from service" (as such term is used in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")); and

WHEREAS, Grantee's employment with the Company or one of its Affiliates is not conditioned on Grantee accepting this grant; rather, this grant is a separate supplemental benefit made available to Grantee in exchange for Grantee's compliance with the terms and conditions set forth herein; and

WHEREAS, the Company and Grantee recognize and acknowledge that if Grantee breaches the Obligations or engages in "Misconduct" (as defined in Section 3 below), Grantee's interests will no longer be aligned with the Company's interests and therefore Grantee will no longer be entitled to retain the benefits of the grants made herein; and

WHEREAS, the Company and Grantee recognize and acknowledge that this Agreement is not a covenant not to compete and that Grantee is free to pursue any employment opportunities he/she may desire.

NOW, THEREFORE, in consideration of the agreements herein contained, the parties hereto hereby agree as follows:

SECTION 1. **Grant of Restricted Stock Units**. As of the date hereof, subject to the terms and conditions of this Agreement and the W. R. Berkley Corporation 2018 Stock Incentive Plan (as may be amended from time to time, the "Plan"), the Company hereby grants to the Grantee the targeted number of restricted stock units set forth on Exhibit A hereto (the restricted stock units granted or realized hereunder are hereafter referred to as the "Restricted Stock Units"). A portion of the Restricted Stock Units shall be designated as Tranche 1 Restricted Stock Units, Tranche 2 Restricted Stock Units and Tranche 3 Restricted Stock Units, as set forth on Exhibit A. The number of Restricted Stock Units granted represents the number of Restricted Stock Units that would be realized if the Company were to achieve the target level of ROE Relative Performance for each of the Performance Periods. The number of Restricted Stock Units realized respectively, if any, is subject to increase or decrease based on the Company's actual ROE Relative Performance and may range from 0% to 110% of the Restricted Stock Units. Each Restricted Stock Unit shall represent the right to receive one share of Stock subject to the terms and conditions set forth herein. Grantee recognizes and acknowledges that the Restricted Stock Units do not constitute wages or otherwise comprise any part of the pay or benefits as compensation for Grantee's work; rather, the grant is a separate supplemental discretionary benefit being made available to Grantee in exchange for Grantee's compliance with the terms and conditions set forth herein. This grant shall be administered by the Compensation Committee (the "Committee") of the Board of Directors of the Company. Capitalized terms not defined in Section 23 of this Agreement shall have the meaning ascribed to them in the Plan.

SECTION 2. **Non-Transferability**. Except as specifically consented to by the Committee, the Grantee may not sell, transfer, pledge, or otherwise encumber or dispose of the Restricted Stock Units other than by will, the laws of descent and distribution, or as otherwise provided for in the Plan.

SECTION 3. **Vesting; Forfeiture; Recapture; Other Remedies**.

(a) Following the completion of each Performance Period, the Committee shall determine for such Performance Period, the Average Return on Equity, the ROE Relative Performance, the ROE Relative Performance Vesting Percentage and, respectively, the portion of the Tranche 1 Restricted Stock Units, Tranche 2 Restricted Stock Units and Tranche 3 Restricted Stock Units, as applicable, that have become realized (determined by multiplying the number of Restricted Stock Units subject to the applicable tranche by the ROE Relative Performance Vesting Percentage). Immediately following the Committee's determination of the number of realized Tranche 1 Restricted Stock Units, Tranche 2 Restricted Stock Units and Tranche 3 Restricted Stock Units for a respective Performance Period, the realized Restricted Stock Units shall vest as of the last day of the applicable Performance Period (subject to forfeiture and recapture, as set forth in this Section 3), provided the Grantee has remained continuously employed by the Company or its Affiliates from the date hereof through the completion of the applicable Performance Period. Restricted Stock Units granted herein which have not become vested Restricted Stock Units following the completion of the applicable Performance Period or otherwise vested shall be immediately forfeited without payment of any consideration and the Grantee shall have no further rights with respect to such Restricted Stock Units.

(b) In the event that Grantee experiences a Termination for any reason, all unvested Restricted Stock Units (except for those that vest immediately upon Termination or as otherwise determined by the Committee in its sole and absolute discretion, in each case as provided in Sections 3(c) and 3(h)) shall be forfeited, and the Grantee shall have no further rights with respect to such Restricted Stock Units. For purposes of this Agreement, Grantee will be considered to have experienced a Termination as of the date Grantee is no longer employed by or providing services to the Company or one of its Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of applicable employment laws or the terms of Grantee's employment agreement, if any). Unless otherwise expressly provided in this Agreement or determined by the Committee, (i) Grantee's right to continue to vest in the Restricted Stock Units granted hereunder will terminate as of the date of Termination and will not be extended by any notice period arising under local law or contract, and (ii) Grantee's period of service will not include any contractual notice period (except for such period of time Grantee is actively providing substantial services during any notice period as required by the Company or one of its Affiliates) or any period of "garden leave" or similar period arising under applicable employment laws or the terms of Grantee's employment agreement, if any.

(c) In the event the Grantee's employment with the Company or its Affiliates is terminated on account of death or Disability prior to the completion of the applicable Performance Period, the number of realized Restricted Stock Units for any incomplete Performance Period (including, for the avoidance of doubt, any Performance Period that has yet to commence as of the date of such termination) shall be immediately determined assuming the Company achieved the target level of ROE Relative Performance for such Performance Period and the number of realized Tranche 1 Restricted Stock Units, realized Tranche 2 Restricted Stock Units and realized Tranche 3 Restricted Stock Units that become vested shall be determined by multiplying the number of realized Restricted Stock Units by a fraction, the numerator of which is the number of days the Grantee served as an employee from the date of this Agreement to the date of such termination and the denominator of which is the number of calendar days from the date hereof through the applicable Performance Period, *i.e.*, 1,095 or 1,096 (as applicable) with respect to the Tranche 1 Restricted Stock Units, 1,461 with respect to the Tranche 2 Restricted Stock Units and 1,826 or 1,827 (as applicable) with respect to the Tranche 3 Restricted Stock Units. For purposes of this Agreement, the Grantee's employment will be deemed to have terminated on account of a "Disability" if such termination was on account of the total and permanent disability of the Grantee, as determined by the Company in its sole discretion.

(d) The Restricted Stock Units granted hereunder shall be subject to the following forfeiture and recapture provisions as provided below:

A. In the event that the Committee determines in its sole and absolute discretion that Grantee during the Relevant Period breached one or more of the Obligations (or agreed to enter into, or had entered into, an agreement (written, oral or otherwise) to breach one or more of the

Obligations) or engaged in Misconduct, then (1) all of the unvested Restricted Stock Units granted hereunder, all shares of Stock not yet delivered to Grantee with respect vested Restricted Stock Units granted hereunder, and all rights to future payments of Dividend Equivalents (as defined below), in each case shall be immediately forfeited, and the Grantee shall have no further rights with respect thereto, and (2) Grantee shall forfeit, and upon demand by the Company repay to the Company (or, if not repaid to the Company, the Company shall recapture from Grantee), an amount equal to (x) (i) the value, as of each Settlement Date (as defined below), of the shares of Stock Grantee received on the Settlement Date for vested Restricted Stock Units (including any shares withheld pursuant to Section 12), (ii) all amounts paid to Grantee on or at any time prior to the Settlement Date in respect of Dividend Equivalents, and (iii) the value of all dividends, if any, paid to the Grantee in respect of such shares of Stock; or (y) such lesser amount as determined by the Committee in its sole and absolute discretion as provided in Sections 3(e) and (f). The Grantee may satisfy some or all of the repayment obligation to the Company of the portion due under (x)(i) and (y) above by returning the shares of Stock received by Grantee on the Settlement Date (including any shares withheld pursuant to Section 12), provided that any amounts due under (x)(ii) and (iii) above must be repaid to the Company in cash.

B. Grantee acknowledges it would be contrary to the interests of the Company for Grantee to retain the amounts required to be forfeited, repaid to or recaptured by the Company pursuant to this Section 3(d), if Grantee has (x) chosen to breach or agreed to breach one or more of the Obligations or (y) engaged in Misconduct, Grantee acknowledges that breaching one or more of the Obligations or engaging in Misconduct would be contrary to the interests of the Company, would be contrary to the compliance with the terms and conditions set forth herein that the Company required in exchange for the Company granting the Restricted Stock Units, and would result in corporate waste if the Grantee did not forfeit and repay (and the Company did not seek recapture of) the benefits conferred hereunder. Any amounts forfeited, repaid or recaptured hereunder will not and are not intended to constitute actual or liquidated damages; rather, they are a forfeiture, repayment or recapture of the financial benefit provided by the Company in exchange for Grantee's promise to comply with the terms and conditions set forth herein. In the absence of Grantee's promise to comply with the terms and conditions set forth herein, the Company would not have granted the Restricted Stock Units. Any action or inaction by the Company with respect to enforcing the forfeiture, repayment or recapture provisions set forth herein shall not reduce, eliminate or in any way affect the Company's right to enforce the forfeiture, repayment or recapture provisions in any other agreement with Grantee or with other grantees.

C. The term "Relevant Period" as used herein shall mean the period beginning on the date of Grantee's commencement of employment with the Company or one of its Affiliates and ending one year following Grantee's Termination for any reason.

D. This Agreement is in addition to and shall not supersede or preclude the Company from enforcing the terms of any separate agreement to which Grantee is bound containing covenants and/or obligations on post-employment activities or its other rights under applicable law.

(e) For purposes of this Agreement, the Grantee has breached Grantee's "Obligations" if, either directly or indirectly, and whether as an employee, consultant, independent contractor, partner, joint venturer or otherwise, during the Relevant Period the Grantee:

(i) who is employed by, or was previously employed by, the Company, engages in or directs any business activities which are competitive with any business activities conducted, managed or supported by the Company, in or directed into any geographical area (x) where Grantee had responsibilities on behalf of the Company or about which Grantee received, learned or had regular access to Confidential Information (defined below) and (y) in which the Company conducts, manages or supports business activities during all or part of the Relevant Period,

(ii) who is employed by, or was previously employed by, an Affiliate(s) of the Company, engages in or directs any business activities which are competitive with any business activities conducted, managed or supported by such Affiliate(s), in or directed into any geographical area (x) where Grantee had responsibilities on behalf of such Affiliate(s) or about which Grantee received, learned or had regular access to Confidential Information and (y) in which the Affiliate(s) conducts, manages or supports business activities during all or part of the Relevant Period,

(iii) on behalf of any person or entity engaged in business activities competitive with the business activities of the Company or its Affiliates, solicits or induces, or in any manner attempts to solicit or induce, any person to terminate such person's employment with the Company or its Affiliates (provided that Grantee worked with or supervised such person or Grantee learned Confidential Information about such person),

(iv) diverts, or in any manner attempts or assists others to divert, any Covered Business Partner (defined below) from doing business with the Company or its

Affiliates or attempts to induce any Covered Business Partner to cease being a Client of the Company or its Affiliates,

(v) solicits, or in any manner attempts or assists others to solicit, a Covered Business Partner to do business with a competitor or prospective competitor of the Company or its Affiliates, or

(vi) discloses, misappropriates, makes use of, or attempts or assists others to make use of or misappropriate, the Company's or its Affiliates' property or Confidential Information, other than in the course of the performance of services to and for the benefit of the Company or its Affiliates or at the direction of the Company or its Affiliates.

Grantee acknowledges and agrees that the Obligations are narrowly tailored in duration, scope and geography, and are reasonable to protect the Company's business interests, including trade secrets, Confidential Information and relationships. The determination as to whether the Grantee has breached one or more of the Obligations, and if so whether and to what extent to demand repayment or recapture, shall be made by the Committee in its sole and absolute discretion. The Committee has sole and absolute discretion to interpret and apply this Agreement, and to determine whether, notwithstanding its determination that Grantee has breached one or more of the Obligations, forfeiture, repayment or recapture as provided herein shall not occur in whole or in part. The Committee's exercise or non-exercise of its discretion with respect to any particular event or occurrence by or with respect to the Grantee or any other recipient of restricted stock units shall not in any way reduce or eliminate the authority of the Committee to (i) determine that any event or occurrence by or with respect to the Grantee constitutes breaching an Obligation or (ii) determine the related date of Grantee's breach of the Obligation.

(f) For purposes of this Agreement, the Grantee has engaged in "Misconduct" if the Grantee, during the Relevant Period, has engaged in an act which would, in the sole and absolute discretion of the Committee, constitute fraud that could be punishable as a crime or embezzlement against the Company or its Affiliates. The determination as to whether the Grantee has engaged in Misconduct, and if so whether and to what extent to demand repayment or recapture, shall be made by the Committee in its sole and absolute discretion. The Committee has sole and absolute discretion to interpret and apply this Agreement, and to determine whether, notwithstanding its determination that Grantee has engaged in Misconduct, forfeiture, repayment or recapture as provided herein shall not occur in whole or in part. The Committee's exercise or non-exercise of such discretion with respect to any particular event or occurrence by or with respect to the Grantee or any other recipient of restricted stock units shall not in any way reduce or eliminate the authority of the Committee to (i) determine that any event or occurrence by or with respect to the Grantee constitutes an act of Misconduct or (ii) determine the related Misconduct date.

(g) The Grantee hereby agrees to notify the Company in writing at its principal executive office via certified mail or overnight courier (to the attention of the Senior Vice President – Human Resources of W. R. Berkley Corporation) and contemporaneously with a copy (which copy shall not itself constitute notice) via email to legalnotices@wrberkley.com within ten (10) days of commencing any employment or other service provider relationship with any company or business during the Relevant Period, specifying in reasonable detail (i) the name of such company or business and the nature of such company or business, including the lines of business in which such company or business is engaged or plans to engage during the Relevant Period, and (ii) the Grantee's position or title and the specific types of services to be provided or planned to be provided by the Grantee in such position or title during the Relevant Period. Should the Grantee's planned services, position, or employer change during the Relevant Period, the Grantee shall provide additional notice to the Company in the same fashion within ten (10) days of the change. The Grantee hereby acknowledges that this notice requirement is reasonable and necessary for the Committee to evaluate the Grantee's compliance with the provisions of Section 3 hereof. Furthermore, if the Grantee fails to so notify the Company, the Grantee may be required (at the Committee's sole and absolute discretion) to repay to the Company (or, if not repaid to the Company, then recaptured from the Grantee) the amounts described in Section 3(d) hereof as if the Grantee had breached an Obligation during the Relevant Period.

(h) In the event of a Change in Control, unless otherwise specifically prohibited under applicable laws or by the rules and regulations of any governing governmental agencies or national securities exchanges, in the event that the Grantee's employment with the Company or its Affiliates is terminated (i) by the Company or its Affiliates without Cause or (ii) by the Grantee for Good Reason, in each case during the eighteen (18) month period following such Change in Control, the number of realized Restricted Stock Units for any incomplete Performance Period (including, for the avoidance of doubt, any Performance Period that has yet to commence as of the date of such termination) shall be immediately determined assuming the Company achieved the target level of ROE Relative Performance for such Performance Period and the number of realized Tranche 1 Restricted Stock Units, realized Tranche 2 Restricted Stock Units and realized Tranche 3 Restricted Stock Units shall immediately become vested Restricted Stock Units. All vested Restricted Stock Units pursuant to this Section 3(h) shall be settled in accordance with Section 4.

SECTION 4. **Delivery and Possession of Share Certificates or Documentation Evidencing Indicia of Ownership**.

One hundred and eighty (180) days following the Grantee's "separation from service" (for purposes of Section 409A of the Code) for any reason, including death or Disability (the "Settlement Date"), provided the Grantee has neither breached, nor entered into an agreement (written, oral or otherwise) to cause Grantee to breach, an Obligation nor engaged in Misconduct, the Company shall deliver to the Grantee (or the Grantee's estate in the event of death) a certificate or certificates or electronic indicia of ownership of the number of shares of Stock equal to the number of vested Restricted Stock Units (less any shares withheld pursuant to Section 12 below) as of the date of such separation from service; provided, however, that if the Grantee is a "specified employee" pursuant to Section 409A(a)(2)(B)(i) of the Code, distribution of shares of Stock shall be delayed for such period of time as may be necessary to satisfy Section 409A(a)(2)(B)(i) of the Code (generally six months), and on the earliest date on which such distribution can be made following such delay without violating the requirements of Section

409A(a)(2)(B)(i) of the Code, the Company shall deliver to the Grantee a certificate or certificates or electronic indicia of ownership of the number of shares of Stock equal to the number of such vested Restricted Stock Units. A delay shall not be required to the extent the Grantee terminates employment on account of death or Disability, provided that in the event of a Disability the Grantee is "disabled" within the meaning of Section 409A(a)(2)(C) of the Code, in which case the Restricted Stock Units shall be settled ninety (90) days following the occurrence of such death or Disability. Notwithstanding the foregoing, in the event of a Change in Control, which also constitutes a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A(a)(2)(A)(v) of the Code, the Company shall immediately deliver to the Grantee a certificate or certificates or electronic indicia of ownership of the number of then vested Restricted Stock Units.

SECTION 5. **Dividends and Dividend Equivalents**. No dividends or dividend equivalents shall accrue or be paid with respect to any outstanding unvested Restricted Stock Units. On the second Tuesday of each January, April, July and October (each, a "Dividend Equivalent Payment Date") occurring during the period commencing on the Vesting Date and ending on the Settlement Date, the Grantee shall be paid an amount in cash, with respect to each vested Restricted Stock Unit then outstanding and held by such Grantee, equal to the aggregate cash dividends paid by the Company in respect of one share of Stock (the "Dividend Equivalent") following the immediately prior Dividend Equivalent Payment Date, or with respect to the first Dividend Equivalent Payment Date only, on or following the Vesting Date; provided, however, that with respect to the first Dividend Equivalent Payment Date, no Dividend Equivalents shall be paid to the Grantee in respect of any cash dividends declared or paid by the Company prior to such Vesting Date. To the extent a cash dividend is paid by the Company on or prior to the Settlement Date but the Dividend Equivalent Payment Date relating thereto would not occur prior to the Settlement Date, the Dividend Equivalents relating thereto shall be paid to the Grantee on the Settlement Date. The Grantee's right to future payments of Dividend Equivalents shall be subject to forfeiture, repayment and recapture to the same extent that the corresponding Restricted Stock Units are subject to forfeiture, repayment and recapture pursuant to Section 3.

SECTION 6. **Rights of Stockholder**. Neither the Grantee nor any transferee will have any rights or privileges as a stockholder with respect to any shares of Stock that are represented by the Restricted Stock Units covered by this Agreement until such shares have been delivered pursuant to Section 4 above.

SECTION 7. **Grantee Representations**. Grantee agrees that he or she has entered into this Agreement voluntarily and that the Grantee has not been induced to participate in the distribution of Restricted Stock Units by the Company by expectation of appointment, employment, continued appointment or continued employment or other service relationship of the Grantee with the Company or one of its Affiliates. The Grantee further agrees that the Company has not made any representations or warranties with respect to the Restricted Stock Units, the Company or its Affiliates, the business of the Company or its Affiliates or its or their respective prospects, and that no securities commission, agency, governmental authority, regulatory body, stock exchange or similar regulatory authority has reviewed or passed on the merits of the Restricted

Stock Units and that the Grantee's ability to transfer the Restricted Stock Units will be limited by the Plan, this Agreement and applicable securities laws.

SECTION 8. **Compliance with Law**. Notwithstanding any other provisions in this Agreement, the Grantee hereby agrees that the Company will not be obligated to issue, transfer or deliver shares of Stock to Grantee hereunder, if the issuance, transfer or delivery of such shares would constitute a violation by the Grantee or the Company of any provision of any law or regulation of any governmental authority. The Company shall in no event be obliged to register any securities pursuant to the Securities Act or to take any other affirmative action in order to cause the issuance, transfer or delivery of shares of Stock acquired pursuant to this Agreement to comply with any law or regulation of any governmental authority.

SECTION 9. **Notice**. Except as required in Section 3(g), every notice required pursuant to this Agreement shall be in writing and shall be delivered via certified mail or overnight courier to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices by the Grantee to the Company shall be mailed or delivered as herein provided to the Company at its principal executive office to the attention of the Senior Vice President – Human Resources of W. R. Berkley Corporation (and contemporaneously with a copy (which copy shall not itself constitute notice) via email to legalnotices@wrberkley.com), and all notices by the Company to the Grantee may be given to the Grantee personally or may be mailed or delivered as provided herein to Grantee at the Grantee's last known address, as reflected in the Company's records.

SECTION 10. **Changes in Capital Structure**. The existence of this Agreement will not affect in any way the right or power of the Company or its stockholders to make or authorize any of the following:

(a) any adjustments, recapitalization, reorganizations or other changes in the Company's capital structure or its business;

(b) any merger or consolidation of the Company;

(c) any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, or any preferred stocks ahead of or affecting the Stock or the rights thereof or convertible into or exchangeable for Stock;

(d) the dissolution or liquidation of the Company;

(e) any sale or transfer of all or any part of its assets or business; or

(f) any other corporate act or proceeding.

SECTION 11. **Other Share Issues**. Except as expressly provided in the Plan, the issue by the Company of shares of stock of any class, or securities convertible into or exchangeable for shares of stock of any class, for cash, property or services, either upon direct sale or upon the exercise of options, rights or warrants, or upon conversion of shares or obligations of the Company convertible into such shares or other securities will not affect, and no adjustment by reason thereof will be made with respect to, the number of shares subject to this Agreement.

SECTION 12. **Withholding**. At the time of vesting and/or settlement of the Restricted Stock Units, as appropriate, the Grantee is required to pay to the Company an amount sufficient to pay all federal, state and local withholding taxes applicable (including FICA taxes upon vesting), and the vesting and/or settlement of the Restricted Stock Units, and the Grantee's right to vesting and/or settlement, as appropriate, shall be contingent upon such payment. Such payment to the Company may be effected through (a) payment by the recipient to the Company of the aggregate withholding taxes in cash or cash equivalents; (b) the Company's withholding from the number of shares of Stock that would otherwise be delivered to the Grantee upon settlement of the Restricted Stock Units, a number of shares of Stock with an aggregate Fair Market Value on the Settlement Date equal to the aggregate amount of withholding taxes; or (c) any combination of these two methods.

SECTION 13. **Grantee's Tax Considerations**. The tax impact of the grant hereunder can be quite complex and will vary with each Grantee. It is recommended that each Grantee review such Grantee's own tax situation and consult their tax advisor.

SECTION 14. **Waiver of Right to Trial by Jury**. AS ALLOWED BY APPLICABLE LAW, BOTH PARTIES HEREBY WAIVE AND RELEASE ANY CLAIM UNDER FEDERAL, STATE OR LOCAL LAW THEY MAY HAVE HAD TO A JURY TRIAL IN CONNECTION WITH CLAIMS ARISING UNDER OR RELATED TO THIS AGREEMENT OR ANY ACTIONS TAKEN OR DETERMINATIONS MADE HEREUNDER.

SECTION 15. **No Right to Continued Service**. This Agreement does not confer upon the Grantee any right to continue as an employee of or other service provider to the Company or any of its Affiliates, nor shall it interfere in any way with the right of the Company or any of its Affiliates to terminate Grantee's employment or other service relationship at any time for any reason.

SECTION 16. **Notification to Subsequent Employer**. Grantee shall notify any subsequent employer, prior to commencing employment, of the covenants and obligations in Sections 3(d), (e), (f) and (g) of this Agreement (as modified by Exhibit B to this Agreement, if and as applicable to the Grantee).

SECTION 17. **Binding Effect**. This Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

SECTION 18. **The Plan**. The terms and provisions of the Plan are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall govern. If there is any inconsistency between this Agreement and Exhibit B, Exhibit B shall govern. The Grantee hereby acknowledges that he or she has received a copy of the Plan and understands and agrees to the terms thereof. This Agreement, together with the

Plan, constitutes the entire agreement by and between the parties hereto with respect to the Restricted Stock Units granted under this Agreement, and this Agreement and the Plan supersede all prior agreements, correspondence and understandings and all prior and contemporaneous oral agreements and understandings, among the parties hereto with respect to the Restricted Stock Units granted under this Agreement.

SECTION 19. **Jurisdiction Governing Law**. This Agreement concerns the provision of Restricted Stock Units that provide a notional interest at the time of grant in shares of common stock of a Delaware corporation (W. R. Berkley Corporation) to further the long-term interests of the Delaware corporation. It is intended to apply in the same fashion to all grantees who are receiving such an interest in the same Delaware corporation pursuant to the same form of restricted stock unit agreement. Moreover, the Plan is governed by the laws of the State of Delaware without regard to the principles of conflicts of laws thereof. Unless otherwise provided in Exhibit B, this Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof. The jurisdiction and venue for any dispute arising under, or any action brought to enforce or otherwise relating to, this Agreement will be exclusively in the courts of the State of Delaware, including the federal courts located in Delaware in the event federal jurisdiction exists. Grantee hereby irrevocably consents to the exclusive personal jurisdiction and venue of the federal and State courts of the State of Delaware for the resolution of any disputes arising out of, or relating to, this Agreement and irrevocably waives any claim or argument that the courts of the State of Delaware are an inconvenient or improper forum. In any action arising under or relating to this Agreement, the court (including, as applicable, any court as specified in Exhibit B) shall not have the authority to, and shall not, conduct a *de novo* review of any determination made by the Committee or the Company but is instead authorized to determine solely whether the determination was the result of fraud or bad faith.

SECTION 20. **Severability/Reformation**. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision or provisions of this Agreement, which shall remain in full force and effect. If any provision of, or terms and conditions contained in, this Agreement is held to be invalid, void or unenforceable as to any jurisdiction, then (i) the court shall substitute a valid, enforceable provision that preserves, to the maximum lawful extent, the terms and intent of such provisions of this Agreement, and shall modify the Agreement so that the scope of the provision is reduced only to the minimum extent necessary to cause the modified provision to be valid, legal and enforceable, and (ii) the same shall not affect the remainder of the provisions or the enforceability thereof.

SECTION 21. **Signature in Counterparts**. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. The counterparts of this Agreement may be executed by facsimile or other electronic signature by any of the parties to any party, and any electronic signatures appearing on this Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

SECTION 22. **Protected Conduct**. Nothing in this Agreement (a) with respect to an event that Grantee reasonably and in good faith believes at the time of reporting is a violation of law, prohibits Grantee from reporting such event in confidence to the relevant law-enforcement agency (such as the Securities and Exchange Commission or Department of Labor) or requires notice to or approval from the Company before reporting such event, (b) prohibits Grantee from cooperating in an investigation conducted by a government agency, or (c) prohibits Grantee from discussing or disclosing information about unlawful acts in the workplace as permitted under applicable law which Grantee reasonably and in good faith believes at the time of disclosure to be unlawful. Further, Grantee is hereby advised that under the Defend Trade Secrets Act of 2016 (DTSA), no individual will be held criminally or civilly liable under federal, state or local trade secret law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and made solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding if such filing is made under seal. Also, the DTSA further provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret except pursuant to court order. To the extent that Grantee is covered by Section 7 of the National Labor Relations Act (NLRA) because Grantee is not in a supervisor or management role, nothing in this Agreement shall be construed to prohibit Grantee from using information Grantee acquires regarding the wages, benefits, or other terms and conditions of employment at the Company or its Affiliates for any purpose protected under the NLRA.

SECTION 23. **Definitions**.

(a) "Affiliate" shall mean, with respect to any person or entity, any other person or entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such person or entity.

(b) "Agreement" has the meaning set forth in the Recitals.

(c) "Average Return on Equity" means the percentage equal to the product of four (4) times the result of (i) the sum of the Return on Equity for each quarter in the applicable Performance Period, divided by (ii) the number of quarters in the applicable Performance Period.

(d) "Cause" means "Cause" as defined in any active employment agreement between the Grantee and the Company or its Affiliates or, in the absence of any such definition, means the occurrence of any one of the following events: (i) fraud, personal dishonesty, embezzlement or acts of gross negligence or gross misconduct on the part of the Grantee in the course of his or her employment or services; (ii) the Grantee's engagement in conduct that is materially injurious to the Company or its Affiliates; (iii) the Grantee's conviction by a court of competent jurisdiction of, or pleading "guilty" or "no contest" to, (x) a felony or (y) any other criminal charge (other than minor traffic violations) which could reasonably be expected to have a material adverse impact on the Company's or its Affiliates' reputation or business; (iv) public or consistent drunkenness by the Grantee or his or her illegal use of narcotics which is, or could reasonably be expected to become, materially injurious to the reputation or business of the Company or its Affiliates or which impairs, or could reasonably be expected to impair, the performance of the Grantee's duties to the Company or its Affiliates; (v) willful failure by the Grantee to follow the lawful directions of a superior officer; or (vi) the Grantee's continued and material failure to fulfill his or her employment obligations to the Company or its Affiliates.

(e) "Client" shall mean any insured, agent, broker, producer or other intermediary to or through whom the Company or its Affiliates provides insurance or reinsurance or related services.

(f) "Committee" has the meaning set forth in Section 1.

(g) "Company" has the meaning set forth in the Recitals.

(h) "Code" has the meaning set forth in the Recitals.

(i) "Confidential Information" shall mean any information or a compilation of information, in any form (tangible or intangible), related to the business of the Company or its Affiliates that the Company or its Affiliates has not made known to the general public or authorized disclosure of to the general public, and that is not generally known to the public through proper means, including but not limited to:

(1) underwriting premiums or quotes, pricing models, formulas, projections, income and receipts, claims records and levels, renewals, proprietary policy wording and terms, underwriting guidelines, reinsurance terms and conditions, profit commissions, agreements and terms of any agency/broker relationships;

(2) operating unit or other business performance records, loss ratios, projections and forecasts;

(3) price sensitive information, business strategies including acquisition and divestiture plans;

(4) technical information, including computer programs, reports, interpretations, forecasts, corporate and business plans and accounts, business methods, models, analyses, financial details, projections and targets;

(5) remuneration and confidential personnel details concerning other Company or its Affiliates employees or contractors;

(6) planned products, planned services, marketing surveys, research reports, market share and pricing statistics, budgets, and planned and actual fee levels;

(7) computer passwords, the contents of any databases, tables, internal templates, know-how and training documents or materials;

(8) commissions, commission charges, pricing policies and all information about research and development and clients' needs and agreements; and

(9) Clients' or Prospective Clients' names and contact information, non-public information about the nature of their business operations, their requirements for services supplied by or through the Company or its Affiliates and all confidential aspects of their relationship with the Company or its Affiliates, including the terms of any agreements with the Company or its Affiliates.

Grantee acknowledges that in the course of performing services for the Company or its Affiliates, the Grantee has had and will have access to Confidential Information. For the avoidance of doubt, Confidential Information does not include information about unlawful acts in the workplace (such as harassment or discrimination) that Grantee is permitted to disclose pursuant to applicable law, provided that Grantee has a good faith and reasonable belief at the time of such disclosure that such act is unlawful.

(j) "Covered Business Partner" shall mean any person, concern or entity (including, without limitation, any Client) as to which Grantee, or persons supervised by Grantee, had business-related contact or received, learned or had regular access to Confidential Information during the most recent two years of Grantee's employment with the Company or its Affiliates or such shorter period of time as employed (the "Look Back Period").

(k) "Disability" has the meaning set forth in Section 3(c).

(l) "Dividend Equivalent" has the meaning set forth in Section 5.

(m) "Dividend Equivalent Payment Date" has the meaning set forth in Section 5.

(n) "Good Reason" means "Good Reason" as defined in any active employment agreement between the Grantee and the Company or its Affiliates or, in the absence of any such definition, means the occurrence of any one of the following events, unless the Grantee agrees in writing that such event shall not constitute Good Reason: (i) a material reduction in the Grantee's duties or responsibilities from those in effect immediately prior to a Change in Control; (ii) a material reduction in the Grantee's base salary below the levels in effect immediately prior to a Change in Control; or (iii) relocation of the Grantee's primary place of employment to a location more than fifty (50) miles from its location, and further from the Grantee's primary residence, immediately prior to a Change in Control; *provided, however*, that with respect to any Good Reason termination, the Company will be given not less than thirty (30) days' written notice by the Grantee (within sixty (60) days of the occurrence of the event constituting Good Reason) of the Grantee's intention to terminate the Grantee's employment for Good Reason, such notice to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Good Reason is based, and such termination shall be effective at the expiration of such thirty (30) day notice period only if the Company or its Affiliates has not fully cured such act or acts or failure or failures to act that give rise to Good Reason during such period. Further, notwithstanding any provision in this definition to the contrary, in order to constitute a termination for Good Reason, such termination must occur within six (6) months of the initial existence of the applicable condition.

(o) "Grantee" has the meaning set forth in the Recitals; provided that whenever the word "Grantee" is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the person or persons to whom the Restricted Stock Units may be transferred by will or by the laws of descent and distribution, the word "Grantee" shall be deemed to include such person or persons.

(p) "Look Back Period" has the meaning set forth in Section 23(g).

(q) "Misconduct" has the meaning set forth in Section 3(f).

(r) "Net Income" means consolidated net income from continuing operations of the Company as determined under U.S. Generally Accepted Accounting Principles without the application of the accounting for (i) unrealized gains and losses on equity securities pursuant to Financial Accounting Standards Board Accounting Standards Update 2016-01 ("ASU 2016-01") and (ii) credit losses on financial instruments pursuant to Financial Accounting Standards Board Accounting Standards Update 2016-13 ("ASU 2016-13").

(s) "Obligations" has the meaning set forth in Section 3(e).

(t) "Performance Period" means the Tranche 1 Performance Period, Tranche 2 Performance Period or Tranche 3 Performance Period, respectively.

(u) "Plan" has the meaning set forth in Section 1.

(v) "Prospective Client" shall mean any person, concern or entity (including, without limitation, any potential insured, agent, broker, producer or other intermediary) with whom or which the Committee determines Grantee knew or should have known that the Company or its Affiliates has been in negotiations during the Look Back Period to provide insurance or reinsurance or related services.

(w) "Relevant Period" has the meaning set forth in Section 3(d)(C).

(x) "Restricted Stock Units" has the meaning set forth in Section 1.

(y) "Return on Equity" means for a quarter, a fraction (expressed as percentage) equal to Net Income divided by the Stockholders' Equity at the beginning of the calendar year for that quarter.

(z) "ROE Relative Performance" means the Average Return on Equity less the Treasury Note Rate of Return, expressed in basis points.

(aa) "ROE Relative Performance Vesting Percentage" means a function of the ROE Relative Performance during the applicable Performance Period, and shall be determined as follows:

ROE Relative Performance*	ROE Relative Performance Vesting Percentage (% of Target)*
Less than +500 basis points	0%
≥+500 basis points	80.0%
≥+633 basis points	90.0%
≥+766 basis points	100.0% (target)
≥+900 basis points	110.0%

* In the event that the ROE Relative Performance falls between any two values listed in the table above, the ROE Relative Performance Vesting Percentage shall be determined using a straight line interpolation between such two values. For the avoidance of doubt if the ROE Relative Performance is less than +500 basis points (*i.e.*, the Average Return on Equity is less than 9.377%), the ROE Relative Vesting Percentage shall be 0% (*i.e.*, no linear interpolation between 0% and 80%) and if the ROE Relative Performance is equal to or greater than +900 basis points (*i.e.*, the Average Return on Equity is at least 13.377 %), the ROE Relative Vesting Percentage shall be 110%.

(bb) "Settlement Date" has the meaning set forth in Section 4.

(cc) "Stock" has the meaning set forth in the Recitals.

(dd) "Stockholders' Equity" means stockholders' equity without the application of the accounting for (i) unrealized gains or losses on equity securities pursuant to ASU 2016-01 and (ii) credit losses on financial instruments pursuant to ASU 2016-13.

(ee) "Tranche 1 Performance Period" means the period commencing July 1, 2024 and ending on June 30, 2027.

(ff) "Tranche 2 Performance Period" means the period commencing July 1, 2025 and ending on June 30, 2028.

(gg) "Tranche 3 Performance Period" means the period commencing July 1, 2026 and ending on June 30, 2029.

(hh) "Treasury Note Rate of Return" means the five-year Treasury Note rate on June 28, 2024, which is 4.377%.

(ii) "Vesting Date" means the date on which the Tranche 1 Restricted Stock Units, Tranche 2 Restricted Stock Units, and Tranche 3 Restricted Stock Units, as applicable, vest hereunder.

* * * * *

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

W. R. BERKLEY CORPORATION

______________________________ By:

Name: William R. Berkley
Title: Executive Chairman

____
Grantee

EXHIBIT A
TO THE RESTRICTED STOCK UNIT AGREEMENT DATED AS OF _________ UNDER THE W. R. BERKLEY CORPORATION 2018 STOCK INCENTIVE PLAN

NAME OF GRANTEE: ____________________________________

TARGET NUMBER OF TRANCHE 1 RESTRICTED STOCK UNITS GRANTED TO GRANTEE: ___________

TARGET NUMBER OF TRANCHE 2 RESTRICTED STOCK UNITS GRANTED TO GRANTEE: ___________

TARGET NUMBER OF TRANCHE 3 RESTRICTED STOCK UNITS GRANTED TO GRANTEE: ___________

TOTAL TARGET NUMBER OF RESTRICTED STOCK UNITS GRANTED TO GRANTEE: ___________

By accepting the terms and conditions of the above restricted stock unit agreement, you expressly acknowledge that you have read and agree to all the terms and conditions set forth above.

If you decide to reject the terms and conditions of the grant, you will decline your right to receive the grant, and the grant of the Restricted Stock Units to you will be cancelled from its outset.

EXHIBIT B

JURISDICTION SPECIFIC MODIFICATIONS

I. <u>States & Territories of the United States of America</u>

A. **<u>All States</u>**. The Grantee is advised to consult with an attorney prior to accepting the grant under this Agreement. The inclusion of state law references in this Exhibit B does not mean that this Agreement constitutes a non-competition agreement. The Obligations set forth in this Agreement are consideration for the benefits granted to the Grantee hereunder and are designed, among other things, to protect the Company's business interests, including trade secrets, Confidential Information and relationships. Grantee has been provided a minimum of 14 days to review this Agreement before accepting its terms and conditions. This Agreement does not apply to the extent that Grantee is not compensated in an amount exceeding any applicable minimum wage threshold established by the state in which Grantee primarily resides and works or as otherwise required by law.

B. **<u>California</u>**. For so long as Grantee is employed or resides in California: (i) no provision or requirement of this Agreement will be construed or interpreted in a manner contrary to the express public policy of the State of California; (ii) the Obligations in Sections 3(e)(i) and (ii) shall not apply after Termination of Grantee's employment or provision of services to the Company or its Affiliates; (iii) Sections 3(e)(iv) and (v) shall be limited to situations where Grantee is aided in his or her conduct by Grantee's use or disclosure of trade secrets (as defined by applicable law); (iv) the last sentence of Section (3)(g) shall not apply and the remainder of Section 3(g) shall apply; (v) Section 14 shall not apply; and (vi) the word "Delaware" shall be replaced with "California" in the fourth, fifth, and sixth sentences of Section 19.

C. **<u>Colorado</u>**. For so long as Grantee primarily resides and works in Colorado and is subject to the laws of Colorado: (i) the Obligations in Sections 3(e)(i) and (ii) shall only apply post-employment to protect the Company's trade secrets and if Grantee's annualized earnings from the Company or its Affiliates at the time Grantee executes this Agreement and at the time Sections 3(e)(i) or (ii) are enforced exceed the greater of $123,750.00 per year or the threshold amount for highly compensated workers adjusted by the Colorado Division of Labor Standards and Statistics; (ii) the Obligations in Section 3(e)(iv) and (v) shall only apply post-employment to protect the Company's trade secrets and if Grantee's annualized earnings from the Company or its Affiliates at the time Grantee executes this Agreement and at the time Sections 3(e)(iv) or (v) are enforced exceed the greater of $74,250.00 per year or sixty percent of the threshold amount for highly compensated workers adjusted by the Colorado Division of Labor Standards and Statistics; and (iii) the definition of "Confidential Information" in Section 23(i) shall exclude information that arises from Grantee's general training, knowledge, skill, or experience, whether gained on the job or otherwise.

D. **<u>Illinois</u>**. For so long as Grantee primarily resides and works in Illinois and is subject to the laws of Illinois: (i) the Obligations in Sections 3(e)(i) and (ii) shall only apply post-employment if Grantee's annualized earnings from the Company or its Affiliates at the time Grantee executes this Agreement exceed (a) $75,000.00 or (b) if Grantee executes this

Agreement after January 1, 2027, $80,000.00 per year; and (ii) if Grantee's employment is terminated or furloughed as the result of business circumstances or governmental orders related to the COVID-19 pandemic or under circumstances that are similar to the COVID-19 pandemic, the Obligations in Sections 3(e)(i) and (ii) shall not apply unless the Company or its Affiliates compensates Grantee equivalent to Grantee's base salary at the time of termination for the period of enforcement less compensation earned through subsequent employment during the period of enforcement. Grantee agrees that this Restricted Stock Unit grant is independent consideration for the Obligations.

E. **Massachusetts.** For so long as Massachusetts General Laws Part I Title XXI Chapter 149 Section 24 L applies to the obligations of Grantee under this Agreement: (i) the Obligations in Sections 3(e)(i), (ii), (iv) and (v) shall only apply within any geographical area (x) where Grantee had responsibilities on behalf of the Company or its Affiliates or about which Grantee received Confidential Information during the Look Back Period and (y) in which the Company or its Affiliates is engaged in business; (ii) Sections 3(e)(i) and 3(e)(ii) are further limited to situations where Grantee is performing services that are the same as or similar in function or purpose to the services Grantee performed for the Company or its Affiliates during the Look Back Period and are not enforceable if the Grantee has been terminated without cause or laid off; (iii) the fourth, fifth, and sixth sentences of Section 19 are amended to replace "Delaware" with "Massachusetts"; and (iv) this Agreement is amended to add the following new Section 24:

> SECTION 24. The Company and Grantee agree that the grant of the Restricted Stock Units to Grantee is fair and reasonable consideration for the obligations of Grantee in this Agreement. The Company and Grantee agree that the grant of the Restricted Stock Units is consideration for the Grantee's compliance with the Obligations under Section 3(d) and Section 3(e)(i) and (ii) (as applicable) of this Agreement (as such Obligations are modified by Exhibit B hereto) during the duration of such Obligations. For the avoidance of doubt, Grantee has the right to consult with an attorney prior to accepting this grant. Grantee acknowledges that Grantee has been given at least ten business days to accept this grant.

F. **North Dakota**. For so long as Grantee resides in and is subject to the laws of North Dakota: (i) no provision or requirement of this Agreement shall be construed or interpreted in a manner contrary to the express public policy of the State of North Dakota; (ii) the Obligations in Sections 3(e)(i) and (ii) shall not apply after Termination of Grantee's employment or provision of services to the Company or its Affiliates; (iii) Sections 3(e)(iv) and (v) shall be limited to situations where Grantee is aided in his or her conduct by Grantee's use or disclosure of trade secrets (as defined by applicable law); and (iv) the last sentence of Section (3)(g) shall not apply and the remainder of Section 3(g) shall apply.

G. **Oklahoma**. For so long as Grantee resides in and is subject to the laws of Oklahoma: (i) the Obligations in Sections 3(e)(i) and (ii) shall not apply after Termination of Grantee's employment or provision of services to the Company or its Affiliates, and (ii) "Covered Business Partner" means any individual, company, or business entity (including, without limitation, any Client) with which the Company or its Affiliates has transacted business within the most recent two years of Grantee's employment with the Company or its Affiliates or such shorter period of time as employed ("Look Back Period"), and with which Grantee, or persons supervised by Grantee, had material business-related contact or about which Grantee had access to Confidential Information during the Look Back Period.

H. **Puerto Rico**. For so long as Grantee primarily resides and works in the Commonwealth of Puerto Rico ("Puerto Rico") and is subject to the laws of Puerto Rico: (i) the Obligations in Sections 3(e)(i) and (ii) shall only apply for the Relevant Period in any geographical area within Puerto Rico where Grantee had responsibilities on behalf of the Company or its Affiliates or where Grantee received or learned Confidential Information during the one-year period prior to the termination of employment; (ii) Sections 3(e)(i) and 3(e)(ii) are further limited to situations where Grantee is performing services that are the same as or similar in function or purpose to the services Grantee performed for the Company or its Affiliates, or that call for the application of the same or similar specialized knowledge or skills as those utilized by Grantee in the services Grantee provides to the Company or its Affiliates, during the one-year period prior to the termination of Grantee's employment with the Company or its Affiliates; (iii) Section 23(j) is amended to read as follows: "Covered Business Partner" shall mean any person, concern or entity (including, without limitation, any Client) with respect to whom Grantee did business on behalf of the Company or its Affiliates, who were personally served by Grantee, or as to which Grantee received or learned Confidential Information, in each case during the most recent two years of Grantee's employment with the Company or its Affiliates or such shorter period of time as employed (the "Look Back Period"); and (iv) this Agreement is amended to add the following new Section 24:

> "SECTION 24. The Company and Grantee agree that the grant of the Restricted Stock Units to Grantee is fair and reasonable consideration for the Obligations under Section 3(d) and Section 3(e) of this Agreement (as such Obligations are modified by Exhibit B hereto). Grantee acknowledges that Grantee has been advised that Grantee has the right to consult with an attorney prior to accepting this grant."

I. **Virginia**. For so long as Grantee primarily resides and works in Virginia and is subject to the laws of Virginia: (i) the Obligations in Sections 3(e)(i) and 3(e)(ii) shall only apply post-employment if Grantee's average weekly earnings from the Company or its Affiliates over the 52 weeks immediately preceding the date of termination of Grantee's employment exceeds the average weekly wage of the Commonwealth of Virginia as determined by the Virginia Employment Commission ($1,410 in 2024); and (ii) the Obligations in Sections 3(e)(iv) and 3(e)(v) shall not apply post-employment if Grantee does not initiate contact with or solicit a Covered Business Partner.

J. **Washington**. For so long as Grantee primarily resides and works in Washington and is subject to the laws of Washington: (a) the Obligations in Sections 3(e)(i) and 3(e)(ii) shall only apply post-employment if Grantee's annualized earnings from the Company or its Affiliates at the time Grantee executes this Agreement exceed $120,559.99 per year (adjusted annually in accordance with Section 5 of Washington HP 1450); (b) the Obligations in Sections 3(e)(i) and 3(e)(ii) shall not be enforced against Grantee if Grantee is terminated from employment without cause or if Grantee is laid off unless the Company or its Affiliates pays the Grantee during the one year period following Grantee's Termination an amount equal to the Grantee's base salary at the time of termination less any compensation earned by Grantee during such one year period; (c) the word "Delaware" shall be replaced with "Washington" in the fourth, fifth, and sixth sentences of Section 19; (d) Section 23(j) is amended to read as follows: "Covered Business Partner" shall mean any Client as to which Grantee, or persons supervised by Grantee, had business-related contact or received, learned or had regular access to Confidential Information; and (e) Section 23(p) is amended to read as follows: "Look Back Period" shall mean the most recent two years of Grantee's employment with the Company or its Affiliates or such shorter period of time as employed. Grantee further understands that for the limited purposes of the application of Sections 3(e)(i) and 3(e)(ii), "cause" to terminate Grantee's employment exists if Grantee has (i) committed, admitted committing, or pled guilty to a felony or crime involving moral turpitude, fraud, theft, misappropriation, or dishonesty, (ii) violated a material term of this Agreement or Company (or its Affiliates) policy, (iii) engaged in insubordination, or failed or refused to perform assigned duties of Grantee's position despite reasonable opportunity to perform, (iv) failed to exercise reasonable care and diligence in the exercise of Grantee's duties for the Company or its Affiliates, or (iv) engaged in conduct or omissions that Grantee knew, or should have known (with the exercise of reasonable care), would cause, or be likely to cause, harm to the Company or its Affiliates or its reputation in the business community. Grantee agrees that this Restricted Stock Unit grant is independent consideration for the Obligations.

Exhibit 31.1

CERTIFICATIONS

I, W. Robert Berkley, Jr., President and Chief Executive Officer of W. R. Berkley Corporation (the “registrant”), certify that:

1. I have reviewed this quarterly report on Form 10-Q of the registrant;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 4, 2024

/s/ W. Robert Berkley, Jr.

W. Robert Berkley, Jr.

President and
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Richard M. Baio, Senior Vice President - Chief Financial Officer and Treasurer of W. R. Berkley Corporation (the “registrant”), certify that:

1. I have reviewed this quarterly report on Form 10-Q of the registrant;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 4, 2024

/s/ Richard M. Baio

Richard M. Baio

Executive Vice President,
Chief Financial Officer and Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of W. R. Berkley Corporation (the “Company”) on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), we, W. Robert Berkley, Jr., President and Chief Executive Officer of the Company, and Richard M. Baio, Senior Vice President - Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ W. Robert Berkley, Jr.

W. Robert Berkley, Jr.
President and Chief Executive Officer

/s/ Richard M. Baio

Richard M. Baio
Executive Vice President,
Chief Financial Officer and Treasurer

November 4, 2024

A signed original of this written statement required by Section 906 has been provided to W. R. Berkley Corporation (the “Company”) and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.