

Best's Performance Assessment Effective Date

June 30, 2025

Analytical Contacts

Michael Vallario Financial Analyst

Michael.Vallario@ambest.com

+1(908) 439-2200 Ext. 908-882-2408

Edin Imsirovic Director

Edin.Imsirovic@ambest.com

+1(908) 439-2200 Ext. 908-882-1903

Company Information

Dynamic Reinsurance LLC

Address

1395 Brickell Ave, Suite 800, Miami, Florida 33131 United States

Information

Best's Performance Assessment for Delegated Underwriting Authority Enterprises

Guide to Best's Performance Assessments

Dynamic Reinsurance LLC

AMB #: 041034

Best's Performance Assessment (PA)

PA-2 Excellent

Outlook: Stable Action: Assigned



Performance Assessment Components

Underwriting Capabilities	Strong
Governance and Internal Controls	Excellent
Financial Condition	Strong
Organizational Talent	Excellent
Depth and Breadth of Relationships	Strong



Corporate Overview

Founded in May 2021, Dynamic Reinsurance LLC (Dynamic Re) is an underwriting agency registered in the state of Florida, USA. The company provides comprehensive reinsurance solutions to brokers and insurance companies operating in Latin America, Europe, and the MENA region, coupled with actuarial and claims services to deliver a full set of reinsurance solutions. The company offers comprehensive solutions across multiple lines of business: property, casualty, financial lines, marine cargo, and engineering reinsurance. The company completed a transaction with an investment vehicle in Miami called Coral Ventures Group. In exchange for capitalization on the balance sheet, Coral Ventures Group obtained 90% of Dynamic Re while providing back-office functions such as legal, finance, HR, and brand advertising.

	Year End - December 31				Year End - December 31					
Key Production Figures: USD	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Top Active Programs	Premiums (000)				Annual % Changes					
Program #1	40,572	49,628	40,538	4,643		-18.2	22.4	773.1		
Program #2	839							•••	•••	•••
Program #3	626									
Program #4	60									•••
Total Premiums - Active Programs	42,097	49,628	40,538	4,643		-15.2	22.4	773.1		
Total Premiums - All Programs	42,097	49,628	40,538	4,643		-15.2	22.4	773.1	•••	•••

Assessment Rationale

I. Underwriting Capabilities:



Rationale:

- Dynamic Re demonstrates underwriting profitability in three out of four operational years; however, results have shown volatility due to exposure to significant catastrophic events that substantially impacted loss ratios.
- The recent introduction of additional lines of business in 2024, complementing an established property line, supports diversification.
 Nevertheless, premium concentration remains significant in property underwriting, indicating ongoing exposure to line-specific risks.
- The company benefits from a network of highly rated reinsurers and employs a multi-carrier model effectively. Yet, dependency on a primary reinsurer has notably influenced premium fluctuations.
- Dynamic Re utilizes advanced data analytics and third-party administrators to strengthen risk management and underwriting decisions; full integration of its technological platform enhancements remains ongoing, indicating potential room for operational refinement.

Dynamic Re provides comprehensive reinsurance solutions to brokers and insurance companies operating in Latin America, Europe, and the MENA region, coupled with actuarial and claims services to deliver a full set of reinsurance solutions.

Dynamic Re's underwriting profitability is strong with underwriting operations resulting in profitability in three of the first four years since inception driven by defined risk appetites, experienced staff and robust operations such as proprietary





data, analytics, benchmarking, and modeling. Although strong, volatility due to catastrophe losses have inhibited prior year's growth and overall results. The enterprise has a competitive advantage in the market, having an established foundation of reinsurers with many capacity providers being listed in the Top 35 worldwide. The underwriting and commercial teams have an extensive network of relationships and an impeccable reputation that was built through industry experience and expertise, contributing to the ability to foster strong relationships.

Dynamic Re's use of data, analytics, and benchmarking abilities suggests the company's approach to underwriting takes an analytical view. Dynamic leverages their data analytics along with a TPA to develop CAT modeling, risk analysis, monitoring and reporting. This along with in-house quantitative assessment tools that produce robust matrices with heat maps allow the company to define risk appetites and clear severity threshold that are analytically driven.

The company benefits from a favorable commission structure as all programs earn a form of profit commission. Dynamic does have authority for claims payment and claims settlement on all but one program in its portfolio and leverages a partnership with a TPA that supports their claims handling process. The TPA is fully integrated into Dynamic's systems for direct claims processing and uses real-time data sharing for transparent claim handling along with mutual quality standards and performance metrics.

II. Governance and Internal Controls:



Rationale:

- Dynamic Re ensures comprehensive alignment of interests with carrier partners through clearly structured commission agreements, meticulously detailed contracts, and stringent underwriting standards, delivering dependable outcomes for global clients.
- The company's established business continuity and disaster recovery frameworks clearly delineate organizational, strategic, and operational measures to effectively manage and mitigate risks related to potential business disruptions.
- Governance practices feature clearly articulated committee structures, ensuring robust oversight, transparent accountability, and effective internal communication pathways.
- The systematic operational integration with third-party administrators is strong, though reliance on external partners highlights the importance of continued oversight.

Dynamic Re focuses on providing high quality reinsurance capacity along with actuarial and claims management services, delivering tailored solutions, agile resources, and deep market expertise to their clients and business partners. They deliver dynamic and reliable reinsurance solutions to their clients worldwide simplifying placement and risk transfer process through creativity and technological innovation. The company stays true to their core values which include dynamic adaptability, agility & innovation, entrepreneurial mindset, a commitment to excellence, and an engaged community. Dynamic Re is committed to their mission enabling them to develop mutually beneficial relationships and maintain alignment of interest with their capacity providers. The alignment of interest is developed through commission structures, comprehensive and clear contracts, and underwriting discipline that helps deliver dependable outcomes to global clients.

Dynamic Re has well defined processes that cover many key areas such as actuarial, underwriting, collections, and claims. Dynamic Re has various clear committee structures within their governance and internal controls strategy allowing

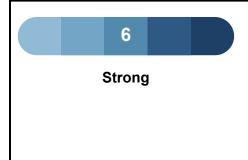




for a well-defined structure with clear reporting lines ensuring operational consistency, while reducing risk and aligning with the company's best practices.

Dynamic Re has a clear business continuity plan and disaster recovery plan in place that establishes the organizational, strategic and operational framework to ensure minimal impact if business disruption should occur. The entity receives support from various TPA's that allow dynamic to leverage valuable third-party insights, though reliance on external parties highlights the importance of a robust governance system.

III. Financial Condition:



Rationale:

- Dynamic Re has consistently reported profitability since inception, driven significantly by base and profit-based commissions. However, profitability metrics such as EBITDA and net income growth have experienced recent pressure due to increasing operational expenses.
- Consistent growth in retained earnings, supported by a sound financial structure devoid of significant leverage or coverage risks, contributes positively to long-term financial stability.
- Strategic investments in technology, marketing, and personnel indicate a forward-looking commitment to growth. Nevertheless, expenses associated with these initiatives have recently outpaced revenue growth, temporarily dampening short-term financial performance.

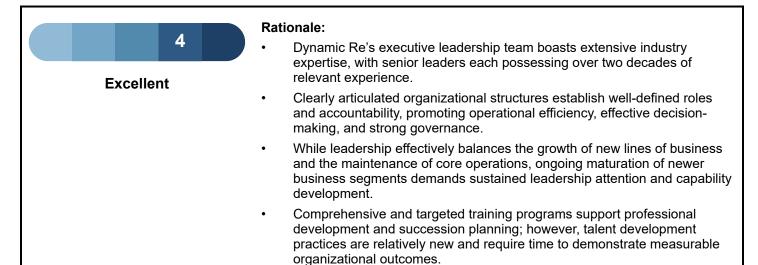
Dynamic Re has established a trend positive EBITDA and net income since inception, as the company has sustained a profitable bottom line since founding of Dynamic Re. The primary driver of their earnings are a mix of base and profit commissions supported by a clear and defined commission structure. Although bottom line results have been favorable, EBITDA and net income have experienced pressure as expenses have outpaced revenues in prior years temporarily dampening short term results. The increase in expenses has been driven by strategic investments in marketing, technology, and personnel which offer a forward-looking commitment to growth.

The entity has had consistent growth in retained earnings driven by their bottom line and supported by a mix of base a profit commissions. Dynamic Re has a sound financial structure unaccompanied by leverage or coverage concerns and sufficiently covering liabilities. Volatility of the company's return metrics are viewed as a limiting factor but should subside as the entity continues to mature and stabilize. The company has a favorable agreement with a venture capital fund allowing the company to reinvest all earnings and forgo rolling up dividends as the company continues to achieve scale allowing the entity to increase shareholder equity and focus on organic growth. Financial results will be monitored for variance and volatility that could impact future results.

As a function of its delegated underwriting responsibilities the organization handles the security and collection of premiums in a premium trust account. While claims funds are held in separate claims accounts before remittance.



IV. Organizational Talent:

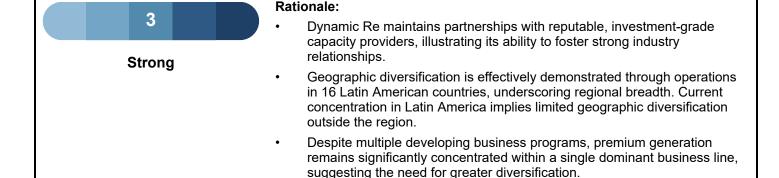


Dynamic Re is led by an incredibly experienced executive team, with all executives having 20+ years of experience in the industry. The executive team employs a vision of providing high quality reinsurance capacity while delivering dynamic and reliable solutions to their clients. Leadership is focused on the growth of newly formed lines of business while continuing to grow the foundation of the company. The company is continuing to build out staff as it looks to reach scale in the coming years. The entity has experienced minimal turnover through the first few years of operation, giving testament to the leadership vision and strong organizational structure.

Dynamic Re has a clear reporting structure that establishes and defines roles and responsibilities which help promote operational efficiency, effective decision making, and strong governance. Executives are responsible for oversight of the company, while directors lead specific teams and report to the executive team.

Dynamic Re employs a structured training program which is implemented for all employees as a strategic response to organizational growth. The company implements customized training with minimum annual training requirements based on role, seniority, and development needs that include measurement and tracking of completion for all employees in the company.

V. Depth and Breadth of Relationships:





BEST'S PA FOR DUAE REPORT

AMB #: 041034 - Dynamic Reinsurance LLC

Bottom line performance indicates operational efficiency and strength in their respective market. Dynamic Re has a generous spread of coverage within the Latin American region as the entity operates in 16 different Latin American countries, however, current concentration within the region implies limited geographic diversification elsewhere. Dynamic Re is supported by a mix of strong capacity providers, all with the goal of building out a long-standing relationship as the company has yet to have a terminated relationship in its four years of operation.

Dynamic Re has a profitable book of business with an appropriate number of programs, however, concentration in a single dominant line of business suggests the need for further diversification, while other programs are in the developmental stages of growth. All programs have strong reinsurance partners willing to work with the entity to further develop these programs showing an alignment of interest between carrier partner and company.

Outlook: Stable

Rationale:

The stable outlook reflects AM Best's expectation that Dynamic Re will continue to produce positive EBITDA
and bottom-line profits. As the company continues to stabilize its underwriting operations, AM Best expects
Dynamic Re to maintain appropriate levels of governance and internal controls under the oversight of its
experienced executive team.

The Performance Assessment (PA) is not a credit rating, and it is not indicative of, nor related to, any credit rating or future credit rating of an entity and therefore is not subject to section 3 of SEC 1934 Act. The PA is a forward-looking, independent, and objective non-credit opinion, not a statement of fact, of the key assessment factors that through a prescribed framework, provide a relative ranking for a PA. The PA is expressed on a 5-point descriptive scale that ranges from PA-1 (Exceptional) to PA-5 (Weak) based on the application of AM Best's published methodology. A PA is not a recommendation to buy, sell or hold any securities, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

An AM Best's PA assigned to a Delegated Underwriting Authority Enterprise (DUAE) addresses the DUAE's relative performance and its ability to adhere to contractual agreements. AM Best will consider the conditions and expectations as outlined in the DUAE's business plan, as well as all other relevant information, and will reserve the right to revise the PA in the event there are any material changes. AM Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, AM Best does not independently verify the accuracy or reliability of the information. AM Best reserves the right to assign, withdraw or suspend such acknowledgment at any time and at its sole discretion.

For additional information regarding the use and limitations of the Performance Assessment, as well as the assessment process and information requirements, please view Guide to Best's Performance Assessments.

Visit https://www.ambest.com/ratings/index.html for additional information or https://web.ambest.com/about/terms-of-use for details on the Terms of Use.



BEST'S PA FOR DUAE REPORT

AMB #: 041034 - Dynamic Reinsurance LLC

Copyright © 2025 A.M. Best Company, Inc. and/or its affiliates. All rights reserved No portion of the content may be reproduced, distributed, or stored in a database or retrieval system, or transmitted, or uploaded into any external applications, algorithms, bots or websites, including those using artificial intelligence or machine learning technologies such as large language models (LLM) and generative artificial intelligence (Gen-AI) or retrieval-augmented generation (RAG) in any form or by any means without the prior written permission of AM Best. AM Best does not warrant the accuracy, completeness, or timeliness of the AM Best content. While the content was obtained from sources believed to be reliable, its accuracy is not guaranteed. You specifically acknowledge that neither AM Best nor the content gives any investment, financial, tax, insurance, or legal advice. You are solely responsible for seeking competent professional advice before making any investment, financial, tax or insurance decision. For additional details, refer to our Terms of Use available at the AM Best website: https://web.ambest.com/about/terms-of-use. All information contained herein was obtained by AM BEST from sources believed by it to be accurate and reliable. Notwithstanding the foregoing, AM BEST does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and all such information is provided on an "as is" and "as available" basis, without any warranties of any kind, either express or implied. Under no circumstances shall AM BEST have any liability to any person or entity for (a) any loss or damage of any kind, in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of AM BEST or any of its directors, officers, employees, or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory, punitive or incidental damages whatsoever (including without limitation, personal injury, pain and suffering, emotional distress, loss of revenue, loss of present or prospective profits, loss of business or anticipated savings, or loss of goodwill) resulting from the use of, or inability to use, any such information, in each case, regardless of (i) whether AM BEST was advised in advance of the possibility of such damages, (ii) whether such damages were foreseeable, and (iii) the legal or equitable theory (contract, tort or otherwise) upon which the claim is based. The credit ratings, performance assessments, financial reporting analysis, projections, and any other observation, position or conclusion constituting part of the information contained herein are, and shall be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor do they individually or collectively address the suitability of any particular financial obligation for a specific purpose or purchaser. Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. Service performance risk is the risk that an entity may not meet its contractual service performance obligations on behalf of its insurance partners. Consequently, neither credit ratings nor performance assessments address any other risk, including but not limited to, liquidity risk, market value risk or price volatility of rated securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR ASSESSMENT OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY AM BEST IN ANY FORM OR MANNER WHATSOEVER. Each credit rating, performance assessment or other opinion must be weighed solely as one factor in any investment or purchasing decision made by or on behalf of any user of the information contained herein. Each such user will, with due care, make its own study and evaluation of each security or other financial obligation, and of each issuer and guarantor of, and each provider of credit support, and an independent view of service provider performance for, each security or other financial obligation that it may consider purchasing, holding, or selling or for each service contract that it may consider entering into For additional detail on credit ratings or performance assessments, and their respective scales, usage, and limitations, refer to the Guide to Best's Credit Ratings (https://www.ambest.com/ratings/index.html) or the Guide to Best's Performance Assessments (https://www.ambest.com/ratings/assessmentMethodo