ILS Annual Report

For the period from July 1, 2024 to June 30, 2025

September 2025



Executive Summary

Aon Securities is excited to present the nineteenth edition of the Aon ILS Annual Report.

The alternative capital markets have experienced the most active and dynamic twelve-month period in ILS market history, with alternative capital reaching $121 billion as of June 30, 2025. Catastrophe bonds continue to be the key area of growth with issuances surpassing $21.7 billion in the twelve-month period running from July 2024 to June 2025 (the "**Relevant Period**"), strongly supported by growth in sidecar activity across various lines of business. Total outstanding catastrophe bond volume increased by $9 billion during the Relevant Period to a record $54 billion as of June 30, 2025, representing a 19% increase since June 30, 2024 and underscoring the market's continued expansion, stability and permanence. Sidecars also continued their strong multi-year growth with an estimated outstanding capital increase to $17 billion as of June 30, 2025.

Over the Relevant Period, catastrophe bond issuance activity has accelerated, revealing three dominant trends. First, insurer participation surged to 58% of total issuances, driven by rising capital requirements linked to model changes and a growing appetite for diversified and multi-year sources of capacity. Second, regional concentration intensified, with 93% of new issuances tied to North America—reflecting investor comfort with U.S. risk models and the appeal of broader risk margins. Third, for the first time ever, Florida-focused issuances climbed to $5 billion, marking a 46% increase from the prior twelve-month period running from July 2023 to June 2024 (the "**Prior Period**") and capturing 16.6% of the total outstanding catastrophe bond market, underscoring investor confidence in peak-zone protection.

A successful and healthy capital raising climate, robust reinvestment of capital from maturing bonds and coupon payments, and attractive risk spreads on the outstanding catastrophe bond portfolio, has fueled ongoing investor demand for the product. The 144A market generated a return of 14.1% over the Relevant Period, based on the Aon Securities Catastrophe Bond Total Return Index. Maturities provided $12.9 billion of re-deployable capacity over the Relevant Period, recycling more capital back into the market. This momentum has been matched by growing client engagement during the Relevant Period, with 52 repeat clients and 13 new entrants sponsoring the issuance of catastrophe bonds.

The past year's catastrophe bond market performance has been underpinned by heightened catastrophe activity and shifting macroeconomic conditions. Hurricanes Beryl, Helene and Milton, alongside record-setting California wildfires, reinforced the need for protection against both primary and secondary perils. The ILS market sustained minimal loss impairment from these events, demonstrating the remoteness of most catastrophe bonds – and, perhaps, an opportunity for catastrophe bonds to take on more directly exposed risks for clients in the future.

The sidecar market continues to provide clients with an alternative source of proportional reinsurance capacity to manage claims frequency and volatility, support portfolio growth, and exchange risk-based income for fee-based revenue. The strong equity type returns for investors across multiple classes of business in recent years have validated the proposition that rates and terms have improved through the hardening market. Investors remain interested in property portfolios due to historically high rates despite recent softening and are increasingly turning their attention to diversified specialty portfolios or casualty portfolios with collateral management opportunities. The development of executable casualty structures

is a particularly exciting development as this culminates a more than twenty-year effort to bring meaningful alternative capital to the casualty segment.

The need for risk transfer among clients is at an all-time high as total insured values continue to rise. Driven by higher building costs, evolving weather trends and the push to close the protection gap, (re)insurers and governmental entities are increasingly seeking coverage beyond what is available in the traditional market. With the uncorrelated nature of the insurance-linked securities market and investors realizing attractive returns, the space continues to demonstrate its value and pull investors into the market while outpacing growth in other areas of the insurance industry, an outcome stakeholders can take pride in.



Richard Pennay,

CEO Aon Securities, Aon Securities LLC

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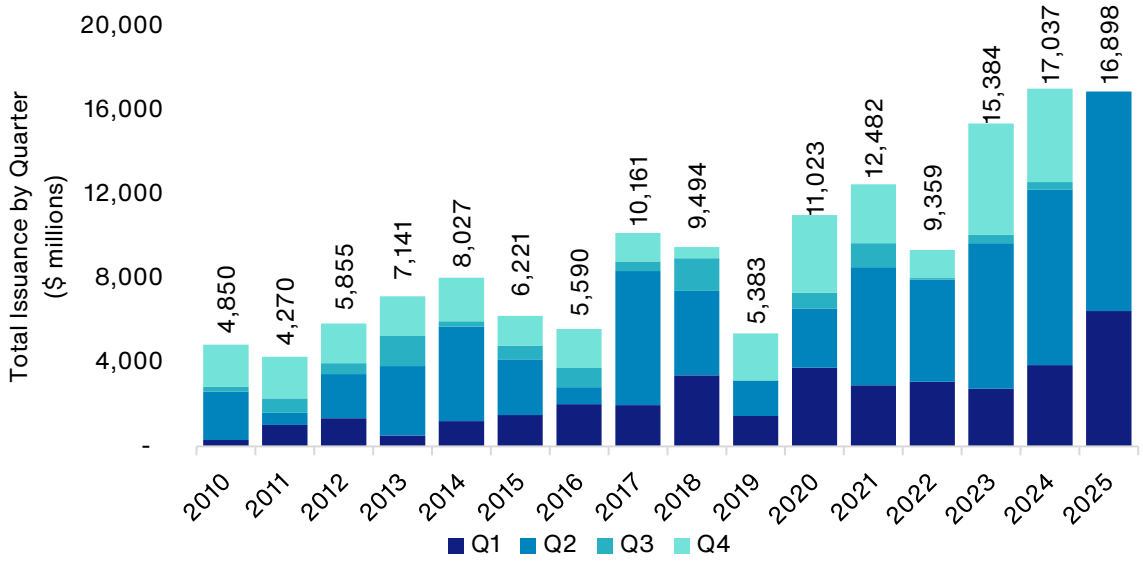
Section 1. Update on the Market

ILS Market Overview: Sustained Growth and Record Breaking Issuance Levels

Catastrophe bond issuance levels continue to reach new heights, with the Relevant Period ending with an issuance volume totaling over $21.7 billion, a 21% increase from the Prior Period. The first half of 2025 reached nearly $17 billion across 56 transactions, matching the total notional amount issued for the full year of 2024 in just six months. Average deal sizes have also increased, with H1 2025 transactions averaging $302 million, a 12% rise since H2 2024.

As shown in Exhibit 1, the market has seen a surge in issuance activity since 2023. This increase has been largely supported by favorable market conditions, with investors' generating double-digit returns across consecutive years, maturities of non-loss impacted transactions and new capital inflows, further aided by the absence of severe loss activity.

Exhibit 1 Property Catastrophe Bond Issuance by Calendar Year Quarter, 2010 to H1 2025

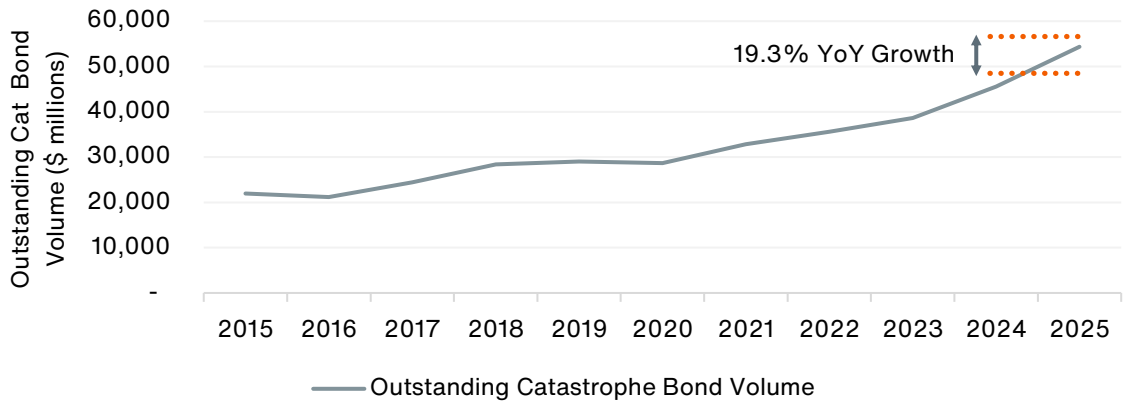


Source: Aon Securities.

Exhibit 2 highlights the continued year-over-year growth in the outstanding catastrophe bond volume, driven by a steady pace of issuance from existing buyers and new entrants to the market. Outstanding volume surpassed the $50 billion threshold for the first time ever at the end of Q1 2025, ultimately reaching $54 billion by the end of Q2 2025. As illustrated below, an inflection point in growth is evident following Hurricane Ian in 2022. Since January 1, 2023, the compounded annual growth rate of

outstanding catastrophe bond volume reached 19.3%. Similarly, over the Relevant Period, the catastrophe bond market has grown by 19.3%, reflecting a sustained and strategic expansion in response to evolving market dynamics.

Exhibit 2 Outstanding Property Catastrophe Bond Volume as of June 30, 2025

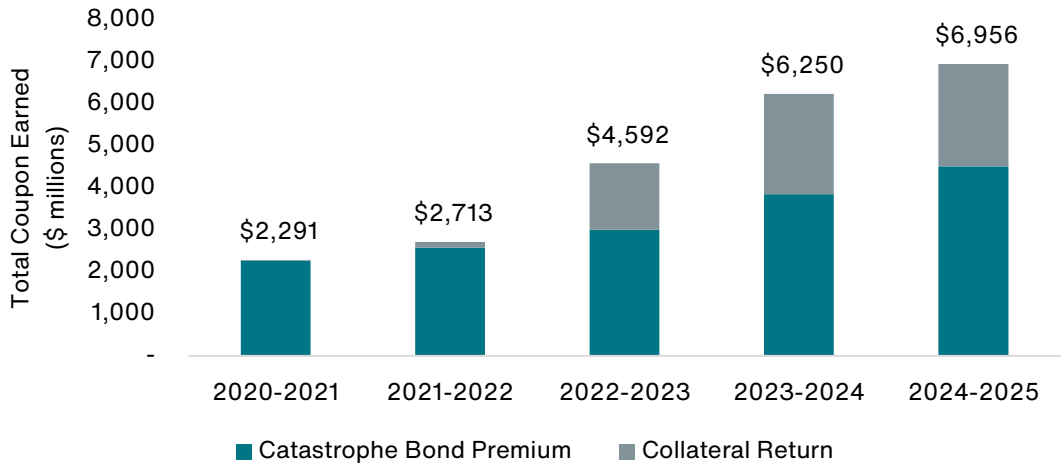


Source: Aon Securities.

The sustained growth in market has been driven by steady maturities and the reinvestment of total coupon earned – amplified by the high interest rate environment, coupon earned totaled to approximately $7 billion during the Relevant Period (as shown in Exhibit 3). Exhibit 3 shows the materiality of elevated collateral yields to investor portfolios that have enabled investors to generate more coupon earned which many have redeployed into new transactions. Reinvestment activity contributed to approximately $3.8 billion[1] of increased notional during the Relevant Period.

[1] New capital calculated by taking the total issuance amount during the Relevant Period ($21.7 billion) minus total issuance amount during the Prior Period ($17.9 billion).

Exhibit 3 Total Coupon Earned *(Catastrophe Bond Premium plus Collateral Return)* on Outstanding Catastrophe Volume (July 1 to June 30)[2]



Source: Aon Securities and Federal Reserve Bank of St. Louis.

From a client demand perspective, the role of catastrophe bonds in the reinsurance program is evolving from being a source of tail protection to more of a complementary and strategic source of risk transfer protection across all layers. Indemnity transactions remain consistent with the Prior Period, with over 80% of issuances carrying an expected loss below 3%. In contrast, industry loss transactions have shifted notably toward higher-risk layers. During the Relevant Period, 39% of industry loss issuances had an expected loss of 3% or less, while 61% exceeded that threshold, reversing the Prior Periods mix, where 62% of issuances fell below an expected loss of 3% and only 38% were above.

This change highlights an increase in the placement of industry loss issuances into higher-risk layers, with meaningful activity in second event covers (e.g. Hiscox and Inigo), and worldwide peril placements (e.g. Fidelis). This trend reflects a more strategic use of industry loss triggers by clients, as they respond to structural shifts in the reinsurance and retrocession landscape. For investors, as the broader market softens, these riskier layers offer higher risk interest spreads, creating opportunities for enhanced returns, which has been welcomed by investors as spreads have tightened since the highs of 2023.

Across the full catastrophe bond market, the overall risk profile remains relatively remote. Over time, insurers will likely apply further pressure on the catastrophe bond market to participate on lower layers if the market is intent on pursuing a growth rate that reflects the levels achieved during the last 24 months.

[2] Catastrophe bond premium was calculated by taking the average initial risk interest spread as of June 30 for outstanding catastrophe bonds multiplied by the outstanding catastrophe bond volume as of June 30 then applying a day-count convention. The collateral return was calculated using the outstanding catastrophe bond volume as of June 30 multiplied by the average 3-Month U.S. T-Bill from the period between July 1 and June 30 (sourced from the Federal Reserve Bank of St. Louis).

Exhibit 4 Catastrophe Bond Issuance: July 1, 2024 to June 30, 2025

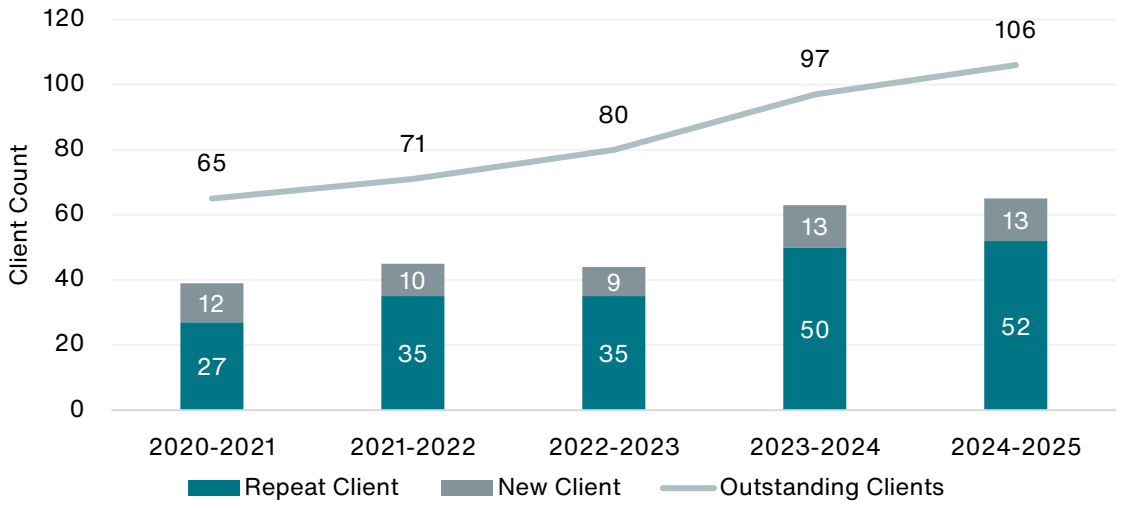
Expected Loss Range	Indemnity	Industry Loss	Total
0.5 - 1.0%	17%	2%	14%
1.0 - 2.0%	36%	22%	33%
2.0 - 3.0%	28%	15%	25%
3.0 - 4.0%	10%	30%	14%
4.0 - 5.0%	8%	11%	8%
5.0 - 6.0%	1%	11%	3%
6.0 - 7.0%	0%	3%	1%
7.0% - 12.0%	0%	6%	1%
Total	**100%**	**100%**	**100%**

Source: Aon Securities.

H2 2024 to H1 2025 Issuance Overview

The ILS market continues to deepen, marked by a growing number of repeat clients and an influx of new clients. As shown in Exhibit 5, issuing client activity has either increased or held strong over the past five years with the total number of outstanding clients steadily increasing year over year. In the Relevant Period, 65 sponsoring entities have accessed the market, of which 13 were first time entrants. Today, there are 106 sponsoring entities currently in the market. The market achieved over 100 entities for the first time in 2025, which marks a key milestone in the market's evolution. Notably, 62% of these new entrants were insurers. This period also saw several of these new entrants receiving regional coverage and for the first time, a dual-sponsored catastrophe bond, signaling increased collaboration and structural innovation.

Exhibit 5 Property Catastrophe Bond Client Count (July 1 to June 30)



Source: Aon Securities.

In line with prior years, issuances during the Relevant Period have been underpinned by several long-standing clients that continue to actively leverage the catastrophe bond market. These include Everest, Allstate, USAA, Citizens Property, and the California Earthquake Authority. In particular, Everest and Citizens Property executed significant transactions totaling $1.0 billion and $1.525 billion, respectively. Alongside a core group of repeat clients, the period also saw the return of clients who had been absent from the market for several years, as well as the arrival of first-time clients, examples of which are highlighted below.

- **Groupama**: The French mutual insurance company returned to the 144A market for the first time since 2013 with Quercus Re DAC 2024, issued out of the newly formed Ireland-domiciled SPRV. The EUR 150 million issuance provides coverage across windstorm events in France for a three-year term on an indemnity, annual aggregate basis. Importantly, this deal represents the largest European indemnity, annual aggregate catastrophe bond ever placed – a structure that has not been readily available in the traditional reinsurance market. The notes were successfully priced at the low end of guidance, with a spread of 8.0%.
- **QBE Re:** The Australian-headquartered multinational reinsurer returned to the catastrophe bond market after twelve years with Bridge Street Re Ltd. 2025-1, a three-year, $250 million issuance via a new Bermuda-domiciled SPI. The notes provide annual aggregate protection against Named Storm and Earthquake risks in the U.S. and Canada, utilizing a territory-weighted industry loss trigger with a $10 billion franchise deductible. The notes were successfully placed below the low end of initial guidance with a spread of 4.0%.
- **Mapfre Re:** The Spain-based reinsurance company issued its debut catastrophe bond Recoletos Re DAC 2024-1 in December 2024, for coverage across Named Storm events in the U.S. The Irish SPRV issued $125 million of notes, an increase from its initial announcement of $100 million. The Spanish reinsurer has significant exposures across the U.S. with primary expected loss contributions from New York as well as Texas, Massachusetts, New Jersey and Florida. Investors received a spread of 5.0%, pricing at the lower end of guidance.
- **Talanx AG**: At the end of 2024, the German re/insurance group Talanx issued its first catastrophe bond. Using a Bermuda based SPI, Maschpark Re Ltd. 2024-1 issued a total of $100 million of coverage. The structure provided protection against earthquakes across a parametric box covering Chile, as well as the nearby South American countries including Peru, Bolivia, and Argentina. Given the bespoke coverage area, the structure also features dedicated payout factors and triggers based on location, magnitude, and depth of applicable qualifying earthquake events. The notes successfully closed with a spread of 3.5%.
- **Kingstone**: Kingstone Insurance Company came to market for the first time with the issuance of its 1886 Re 2025-1, which provided $125 million of indemnity-based coverage across U.S. Named Storm events, with an initial covered area of New York, New Jersey, Connecticut, Massachusetts, and Rhode Island areas. Kingstone is the underwriting arm of northeast U.S. regional property and casualty insurance holding company Kingstone Companies, Inc. The notes were successfully placed with an upsize from its initial target size of $100, pricing at the tight end of guidance with a spread of 4.5%.

Geographic Breakdown and Loss Trigger Trends

While issuances outside of North America remain important to the overall ILS market in supporting long-term geographic diversification, we have seen enhanced activity for U.S. based risks. As shown in

Exhibit 6, in the Relevant Period, 93% of new issuances were tied to North America, up sharply from 82% in the Prior Period. In contrast, issuances tied to Europe declined from 6% to 4%, while Japan and the Rest of World each saw activity fall below 3%, indicating that investors are increasingly comfortable with a more concentrated portfolio of catastrophe bonds which is affording improved risk adjusted returns. This trend has been driven by investors familiarity with the underlying models and historical loss data, enabling more confident pricing. Additionally, regionally focused transactions often offer wider risk margins than diversified structures enhancing investors return potential.

Highlighted in Exhibit 7, from a structural perspective, indemnity triggers continue to dominate the market and remain broadly in line with the Prior Period. Industry loss triggers saw a modest increase from 18% in the Prior Period to 20%. New issuances moved away from parametric triggers, which have seen a 2% decline from 5% in the Prior Period. Notably, in the Relevant Period, the market saw a few issuances of catastrophe bonds featuring a dual-trigger structure reflecting ongoing innovation for international regions.

Exhibit 6 Geographic Breakdown of New Issuance (% of Notional Issued)
July 1, 2024 to June 30, 2025

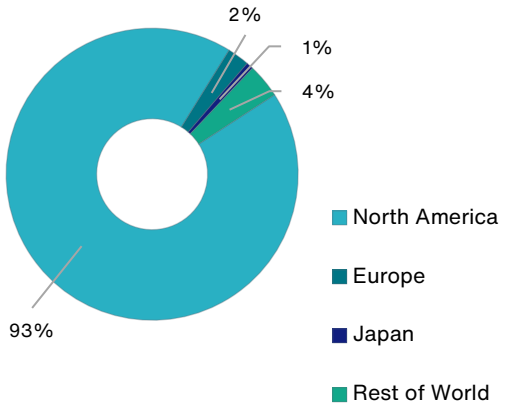
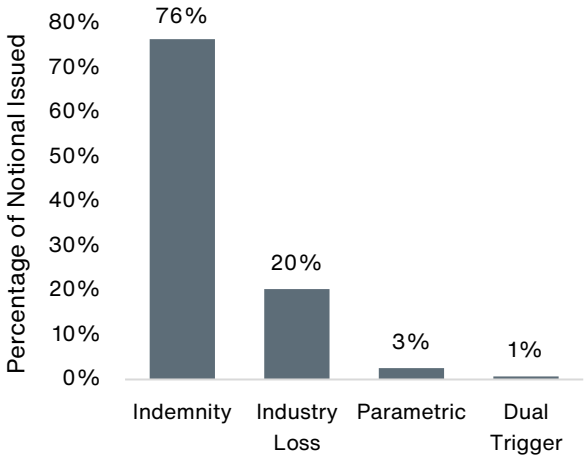


Exhibit 7 Loss Trigger of New Issuance:
July 1, 2024 to June 30, 2025



Source: Aon Securities.

Key Market Developments

Growth in Insurer Clients

Insurers are increasingly turning to the ILS market to complement their traditional reinsurance programs, adopting a more strategic and blended approach to risk transfer. As shown in Exhibit 8 and Exhibit 9, insurers accounted for 58.1% of total issuance over the Relevant Period, up from 50.7% in the Prior Period, while also representing 69.2% of all new clients entering the market.

This notable rise in insurer-led transactions reflects a combination of structural advantages and market conditions. In addition to these factors, recent model changes in the U.S. have also prompted insurers to purchase more limit, driven by higher capital requirements needed to support property insurance. Catastrophe bonds provide multi-year, collateralized protection, offering diversification from traditional reinsurance while helping clients manage pricing volatility. Clients are also drawn to the customization opportunities available in catastrophe bond structures, including the ability to access non-peak peril coverage, utilize aggregate triggers and secure longer duration coverage.

As total insured values continue to rise driven by factors such as higher building costs, insurers are increasingly seeking coverage beyond what is available in the traditional reinsurance market. Additionally, governmental entities have expanded their presence in the catastrophe bond market over the past several years, with the number of government issuers holding outstanding catastrophe bonds increasing by 40% since 2022.

Catastrophe bonds enable clients to spread risk across the capital markets, not just to reinsurers, broadening their counterparty base and allowing for additional sources of capacity with more flexibility and comprehensive protection.

Exhibit 8 Breakdown of Client Type, H2 2024 – H1 2025

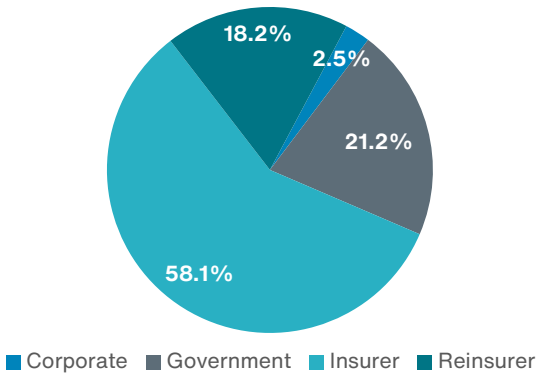
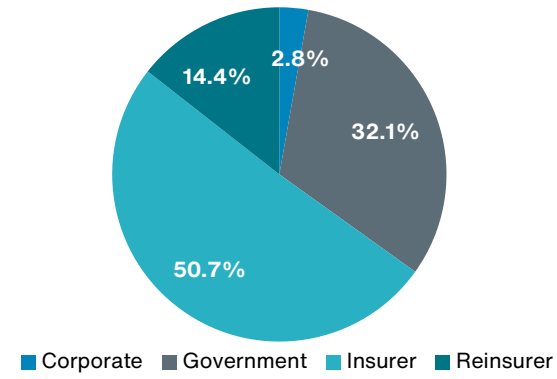


Exhibit 9 Breakdown of Client Type, H2 2023 – H1 2024



Source: Aon Securities.

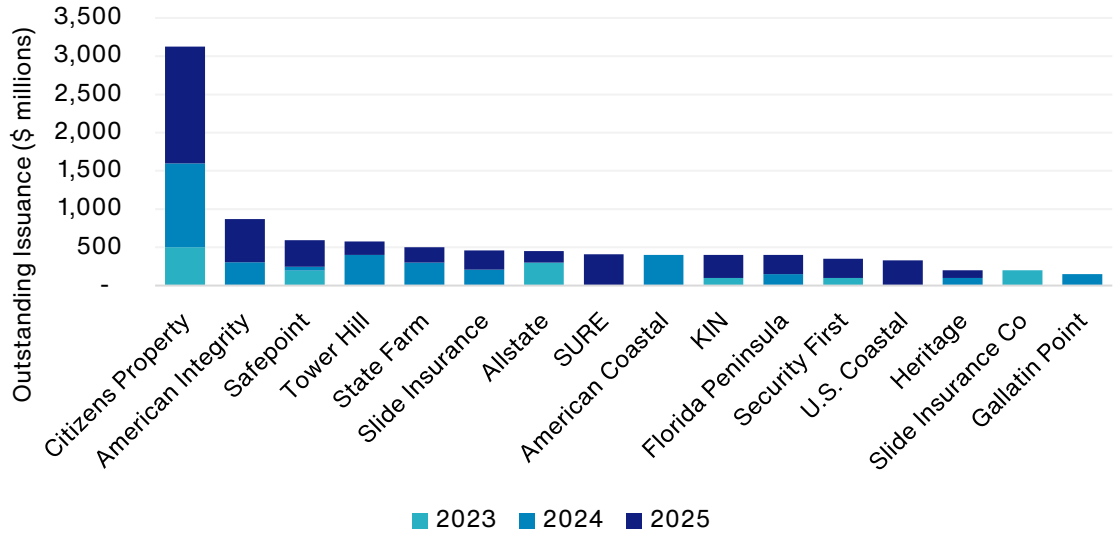
Increased Issuances of Florida Focused Catastrophe Bonds

Florida carriers have turned to the capital markets to secure supplemental capacity to the traditional reinsurance market. In the Relevant Period, Florida focused sponsoring entities issued $5 billion in catastrophe bonds, representing a 46% increase from the period prior. Repeat clients such as Citizens

Property, Allstate and American Integrity have continued to tap into the market for Florida specific protection, with catastrophe bond usage continuing as a mainstay for peak zone coverage and enabling clients to lock in multi-year protection at scale. As of June 30, 2025, Florida specific catastrophe bonds accounted for 16.6% of total market share, up from 12.2% as of June 30, 2024, representing a 36.0% increase in the proportion of issuances dedicated to the state of Florida.

As shown in Exhibit 10 the state's growth has been broad-based, with 76% of all outstanding Florida sponsoring entities, who have previously purchased Florida catastrophe bonds, purchasing again in the Relevant Period. This surge has been led by Citizens Property which accounts for roughly 34% of all outstanding Florida focused catastrophe bonds. This ongoing activity highlights not only growing investor confidence in Florida risk, but the strategic role catastrophe bonds play in accessing multi-year protection from diversified sources of risk capital beyond the traditional reinsurance market.

Exhibit 10 Florida Sponsoring Entities Outstanding Issuance by Issuance Year as of June 30, 2025



Source: Aon Securities.

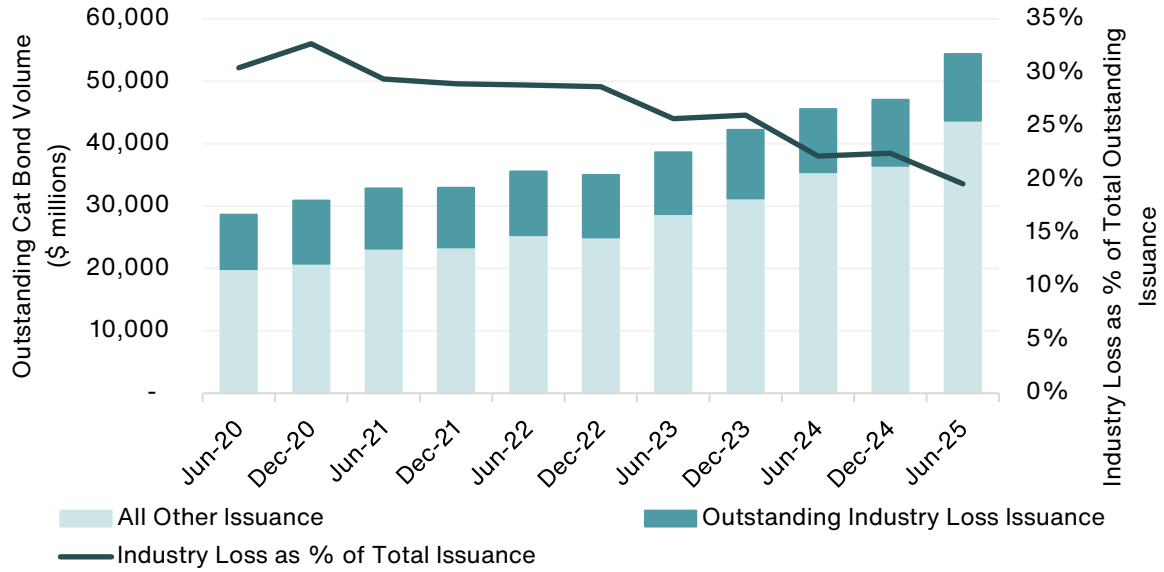
Industry Loss Transactions Seeing Bespoke Coverage

As illustrated in Exhibit 11, industry loss transactions have consistently accounted for a meaningful share of the overall catastrophe bond market – approximately 26.8% since June of 2020. This underscores their relevance, particularly for reinsurers, who tend to rely on catastrophe bonds more extensively than primary insurers. However, due to the smaller scale of the reinsurance sector relative to the broader insurance market, the aggregate volume of these transactions remains proportionally lower. While overall market growth over the Relevant Period has been driven primarily by non-industry loss issuances.

Beyond scale, the industry loss market has developed in other ways, namely, in terms of covered perils, risk profile and trigger type. Outside of peak perils, the industry loss market has supported transactions containing named worldwide exposure as well as U.S. based secondary perils. Increased interest in industry loss products from reinsurance clients has shown that these products have solidified

themselves as a more common feature within the market. Purchasing considerations have been expanding from large global reinsurers to include medium size and regional players as well.

Exhibit 11 Outstanding Catastrophe Bond Volume: Industry Loss vs. All Other Issuances



Source: Aon Securities.

Secondary Market

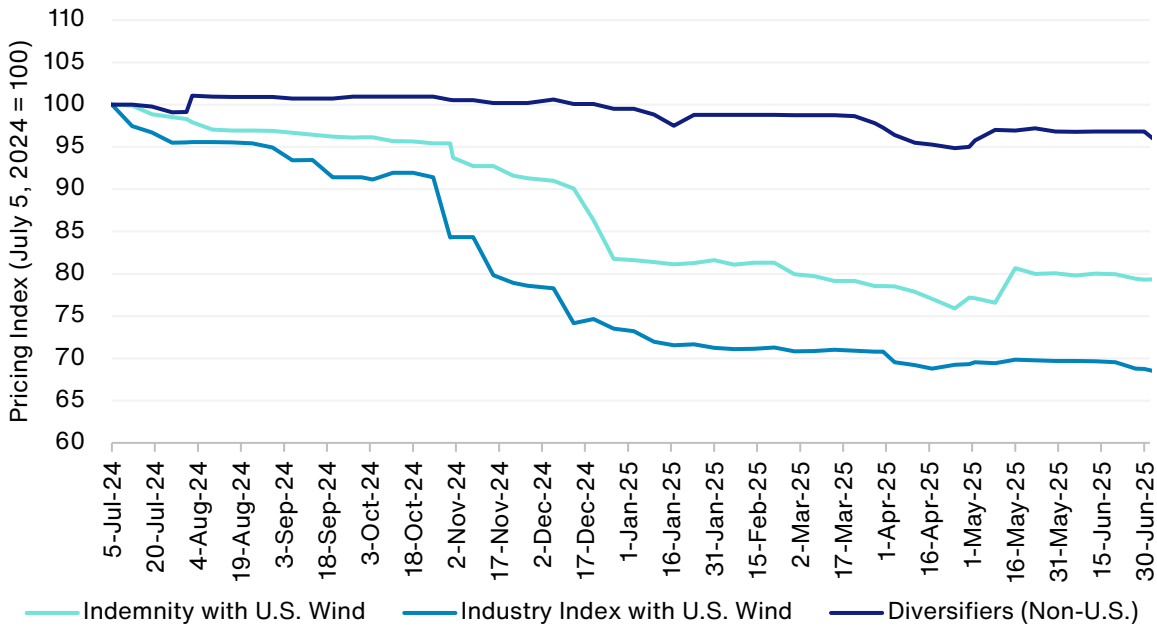
Investor demand for catastrophe bonds continued to exceed supply, consistent with the Prior Period. Secondary market prices tightened at year-end and remained firm through Q1 2025. However, unlike the Prior Period – when large issuances led to market constraints – Q2 2025 began with only modest widening. This was driven in part by inflows, particularly from UCITS funds, and a weakening U.S. dollar, which enhanced purchasing power for non-USD denominated investors acquiring USD-denominated bonds.

In the Relevant Period, the market saw a record volume of catastrophe bond issuances. Investor response was strong, with ample capital deployment leading to further spread tightening. Trading volumes during this period were slightly below average (excluding interfund cross trades), totaling approximately $2 to $3 billion in the first half of 2025. Investors had excess capacity, making April and May particularly active months, especially for short-dated bonds. While spreads widened slightly at the start of Q2, the market remained balanced with healthy bid-offer dynamics. As summer approached, investors anticipated additional maturities and held surplus cash, resulting in trades being executed well above dealer pricing sheets, albeit on lighter volumes, typical for the season.

In the Prior Period, spread movements were relatively uniform across indemnity and diversifying bonds, while industry loss bonds experienced sharp tightening in the spring before reverting to prior levels. Over the Relevant Period, however, spread tightening has varied by bond type: industry loss bonds

tightened by approximately 30%, Indemnity bonds by around 20%, and Diversifying bonds saw a more gradual tightening of about 4%.

Exhibit 12 Aon Pricing Index



Source: Aon Securities.

Growth in ILS Sidecar Market

The P&C sidecar markets have continued to experience strong growth, building on the Prior Period's performance. In 2024, P&C sidecar volume outstanding reached an estimated record of $14 billion. This momentum carried into 2025, with new issuances consistently attracting strong investor demand. This success has been driven by attractive expected returns supported by a combination of elevated premium rates, higher interest rates and recent underwriting results. In 2025, the market saw the entry of several new vehicles, while many established sidecars returned for additional capacity. By the end of the second quarter of 2025 Aon Securities estimates that total capital outstanding in the P&C sidecar space has risen to $17 billion, surpassing last year's record. A broad spectrum of investors participated in the market including ILS investors seeking diversified risks as well as alternative asset managers attracted by the unique exposures and additional assets offered by casualty sidecars.

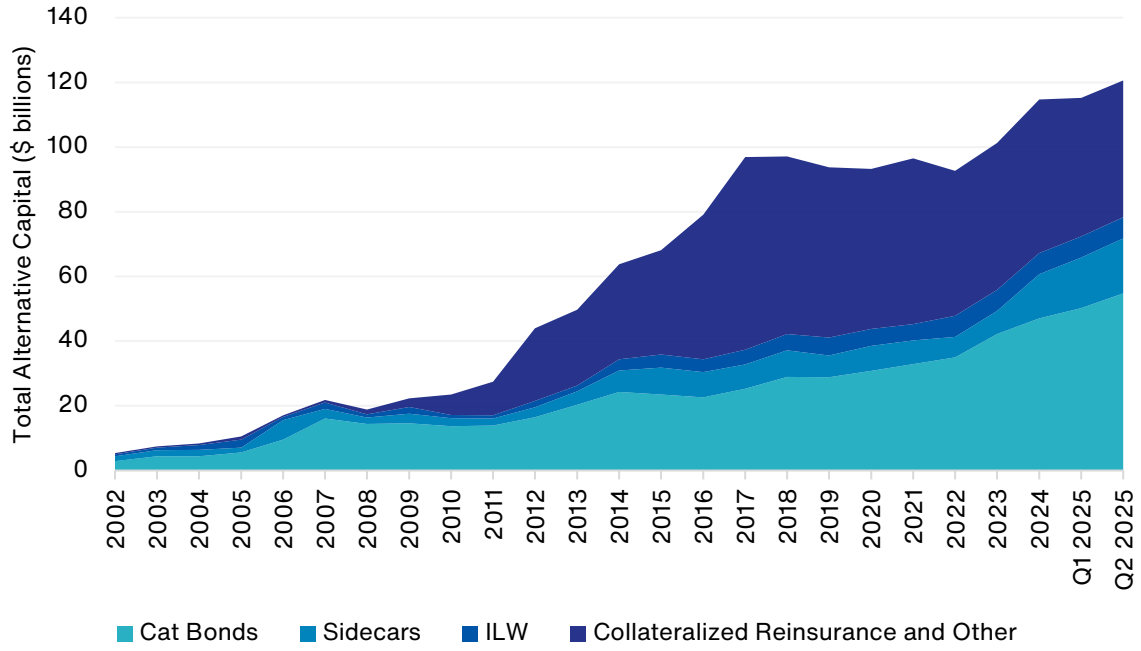
The sidecar market has grown substantially over the past two years and has expanded beyond traditional catastrophe risk, as investors seek exposure to less volatile portfolios and the opportunity to manage the associated float in private credit assets. Reinsurers recognize the value of long-term partnerships and the stable fee income that sidecars provide, leading to a greater willingness to offer more flexible terms, such as broadening risk coverage and refining coverage definitions, to better align with investor preferences. This flexibility is especially important in light of the increased earnings volatility associated with higher retentions in the XOL reinsurance markets. Sidecars, with their proportional coverage structure, help insurers manage this volatility by sharing risk with investors. In

turn, investors gain access to diversified risks and attractive returns, while insurers benefit from an alternative source of long-term, aligned capital and steady fee-based revenue streams.

Aon partnered with Ascot Group Limited ("Ascot") to support the launch of a casualty sidecar, Wayfare Re, through Ascot's third-party capital management arm, Leadline Capital Partners ("Leadline"). This transaction marks a significant addition to the growing casualty sidecar market and follows Ascot's successful 2024 property sidecar. The new partnership brings together Ascot and leading alternative credit manager Antares Capital Management, who will serve as exclusive private credit asset manager. The transaction further advances Ascot's third-party ILS capital strategy, expanding its underwriting capacity while delivering attractive risk-adjusted returns to Antares. The successful capital raise also endorses Ascot's position as a leading underwriting franchise.

Casualty sidecars continue to attract strong interest from credit funds, hedge funds, and asset managers seeking to match long-tail liabilities with private credit asset portfolios. The stability of casualty business, coupled with insurers' focus on underwriting profitability and favorable market conditions, including elevated casualty rates, reinforces the appeal of these vehicles. This allows clients to prioritize sustainable reinsurance pricing while carefully managing structure and placement terms.

Exhibit 13 Alternative Reinsurance Capital 2002 to Q2 2025



Source: Aon Securities.

Section 2. Macro Landscape

H2 2024 - H1 2025 Catastrophe Activity

The second half of 2024 was marked by heightened concern over the North Atlantic hurricane season, which was forecasted to be one of the most active in recent years due to La Niña conditions and elevated sea surface temperatures. Hurricane Beryl set the tone early in H2, becoming the earliest Category 5 hurricane on record as it made landfall in Texas in July 2024.

While Beryl's formation raised alarm across the insurance and reinsurance sectors, Hurricanes Helene and Milton proved to be significantly more devastating, with losses expected to top $37.5 billion.

- **Hurricane Helene**: The single most devastating event was Hurricane Helene at the end of September 2024, which is estimated to have caused approximately $75 billion in economic losses[3], mainly due to inland and coastal flooding across the U.S., Mexico, and Cuba. Estimated insured loss has amounted to $17.5 billion[3] and have the most fatalities since Hurricane Katrina. While it impacted Florida as an unusually large and strong Category 4 storm, landfall point was in a relatively sparsely populated area and majority of the financial impact was actually incurred in North Carolina due to widespread and devastating floods. Helene ranks among the 15 costliest natural disasters globally since 1900 on a price-inflated basis and among the eight costliest tropical cyclones.
- **Hurricane Milton**: Following Hurricane Helene in September, Hurricane Milton came in early October, bringing an additional $35 billion of economic losses[3], corresponding with a $20 billion insured loss[3], making it the second most damaging event of the year by a wide margin. Milton was the fifth strongest hurricane on record in the Atlantic basin.

According to Aon's 2025 Climate and Catastrophe Insight, these events drove global economic losses to $368 billion by the end of 2024, with insured losses accounting for $145 billion. These insured losses are well above the long-term average and the sixth highest on record. Overall, while anticipated peak peril losses from Hurricane Helene and Hurricane Milton did not fully materialize, the elevated baseline of catastrophe activity underscores the need for protection against secondary perils across the globe.

In January 2025, Southern California experienced a series of devastating wildfires, fueled by dense vegetation from consecutive wet winters followed by an exceptionally dry fall, and accelerated by strong Santa Ana winds. Among the most destructive were the Palisades Fire and the Eaton Fire, both impacting Los Angeles County and now ranked as the costliest wildfire in California history, with PCS industry-insured loss estimates of $20.7 billion and $15.9 billion, respectively.

- **Palisades Fire:** Burned over 23,000 acres[4], and damaged over 7,800 structures[1].

[3] Source: Aon's 2025 Climate and Catastrophe Insight

[4] Palisades Fire: Incident Update on 02/10/2025 at 3:46 PM | CAL FIRE

- **Eaton Fire:** Burned over 14,000 acres[5], and damaged over 10,400 structures[2].

Despite the severity of these fires, there was no material impact on the ILS market. While there was a 4(a)(2) issuance that was loss impacted, 144A occurrence bonds were predominantly unaffected. The secondary market experienced modest mark-to-market losses, primarily driven by retention erosion of wildfire exposed aggregate bonds.

These events underscore the growing demand for wildfire coverage. ILS investors recognize this opportunity and have responded by supporting a couple of California Wildfire transactions during the Relevant Period including the issuance of Luca Re Ltd. 2025-1[6], a $150 million issuance for Mercury Casualty Company, where Aon Securities acted as the sole structuring agent and bookrunner. With heightened awareness and capital ready to deploy, Aon Securities expects to see additional wildfire linked issuances though the second half of 2025.

Tariffs Pose Minimal Market Impact, with Indirect Effects on Loss Costs

In the Relevant Period, the ILS market continued to perform strongly despite tariff-related uncertainty and concerns over their implementation, particularly the potential for increased rebuilding costs and longer recovery timelines. While catastrophe bonds have remained unaffected, tariffs do present potential for increased rebuilding costs and longer recovery timelines, which can indirectly influence ultimate loss amounts – particularly in severe events. The ILS market remains structurally insulated from such macroeconomic fluctuation, with performance driven more by event activity rather than by trade policy shifts. Secondary market pricing has also been resilient, underscoring investor confidence in the asset class. Moreover, elevated post event loss costs could strengthen future demand for additional protection, with catastrophe bonds and other ILS products offering a scalable and diversifying solution for both clients and investors.

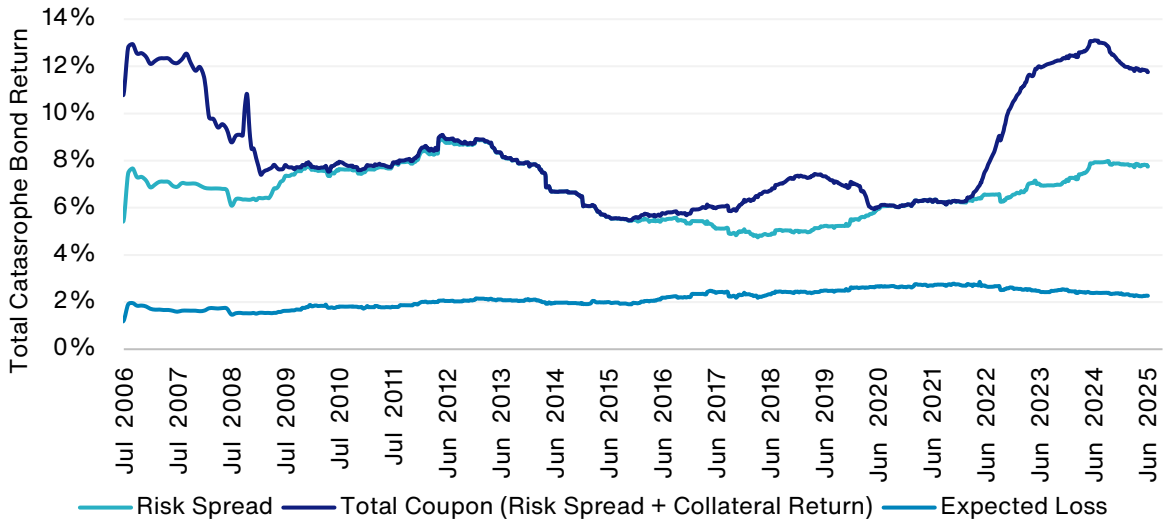
Elevated Collateral Yields Driving Double-Digit Returns

Catastrophe bonds have historically benefited from higher interest rates as economic uncertainty underscores the need for non-correlated diversification, highlighting the market's resilience to broader economic risks. Similar to the Prior Period, catastrophe bond spreads in the Relevant Period continued to support strong returns. As shown in Exhibit 14, overall returns remained attractive despite a slight decline in spread levels due to falling interest rates. While traditional asset classes faced elevated uncertainty, catastrophe bonds demonstrated resilience, experiencing only a slight decline in average annualized returns, from 13.1% to 11.8%. This relative stability underscores the market's ability to deliver consistent performance amid shifting economic conditions. Double-digit returns have encouraged reinvestment, helping to grow the ILS market and sustain high levels of catastrophe bond issuance.

[5] Eaton Fire: Incident Update on 01/27/2025 at 10:04 AM | CAL FIRE

[6] Luca Re Ltd. 2025-1 was in the marketing phase of the transaction during the Relevant Period with a settlement date of July 10, 2025.

Exhibit 14 Total Coupon Earned on Outstanding Catastrophe Bond Issuance—Risk Interest Spread *plus* 3-month U.S. T-Bills[7]



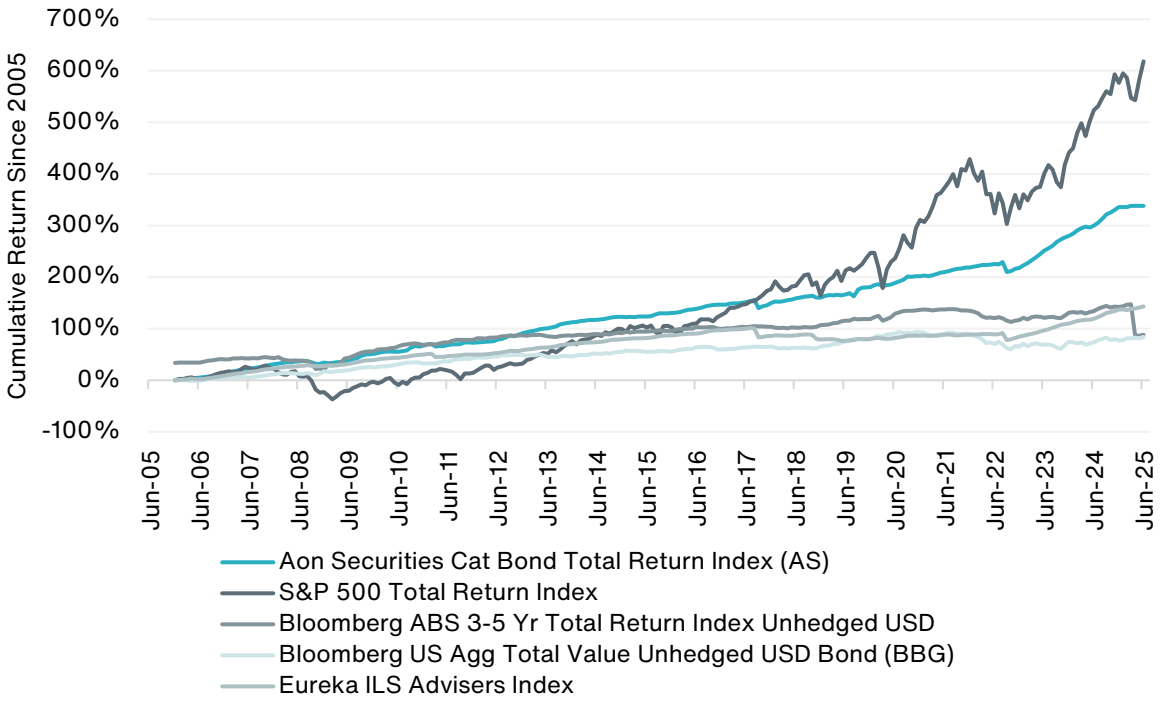
Source: Aon Securities and Federal Reserve Bank of St. Louis.

[7] Total coupon calculated for each half year by taking the initial risk interest spread plus the 3-Month U.S. T-Bill rates (sourced from the Federal Reserve Bank of St. Louis).

ILS Continues to Shine as a Diversifying, Non-Correlated Asset Class

Building on the strong return profile previously discussed, the cumulative performance of the ILS market continues to stand out. The Aon Securities Catastrophe Bond Total Return Index approached a cumulative return of nearly 340% over the past 20 years, outperforming most fixed income benchmarks. While the index trails the S&P 500 in absolute terms, its steady growth since 2005 demonstrates the market's resilience to macroeconomic pressure. Catastrophe bonds have shown limited volatility even during severe economic disruptions, holding strong during the housing market's crash, a global pandemic, and most recently, extreme tariff uncertainty. This stability reinforces the ILS space as a reliable non-correlated diversifier for investors seeking steady returns in varying financial environments.

Exhibit 15 Aon Securities Catastrophe Bond Total Return Index Versus Financial Benchmarks



Source: Aon Securities and Bloomberg.

Section 3. Transactions

Transaction Spotlight

The catastrophe bond market demonstrated continued strength and expansion over the Relevant Period, with issuance volumes reaching record levels and a steady influx of new clients sustaining market momentum. Thirteen new clients entered the market, mirroring the Prior Period. Insurers remained the leading client type by volume, while Florida-focused clients increased their activity, capitalizing on favorable ILS market pricing. In addition, three government entities—Gareat, Flood Re and the Texas FAIR Plan—entered the ILS market for the first time. Notably, Citizens Property, through Everglades, issued a landmark $1.525 billion catastrophe bond, one of three transactions exceeding $1 billion in H1 2025. While new sponsoring entities continue to emerge, repeat clients such as Everest, Citizens, and Allstate have maintained a consistent presence, leveraging the market annually for efficient pricing and enhanced risk mitigation

Baltic PCC Limited 2025-1 – Pool Re

The ILS market has continued its trend of expanding beyond its traditional natural catastrophe perils, with UK terrorism risk reinsurer Pool Re issuing for the third time. Aon Securities served as joint structuring agent and joint bookrunner on the Baltic PCC Limited 2025-1 notes, which offered investors a diversified risk to their overall ILS portfolio.

The notes provide GBP 100 million of coverage to Pool Re, the UK government-backed terrorism risk reinsurance facility. The structure is on an indemnity, annual aggregate basis – in alignment with the client's traditional retrocession tower – and covers a 3-year risk period for Covered Events defined as "an Act of Terrorism" per documentation, across England, Wales, and Scotland (including the Channel Tunnel up to the fronter with the Republic of France). With an initial modelled annual attachment probability of 2.75% and an initial modelled annual expected loss of 2.54%, the transaction was successfully priced at 5.90%, within guidance. Notably, this March 2025 issuance marked the first time a terror bond was issued with Moody's RMS as the independent modeling agent, considered to attract investor appetite, as well as the first time Moody's RMS terrorism model was used in the ILS market. Aon Securities expects investor demand as well as client interest in such non-traditional ILS issuances to continue to grow in the years ahead.

Baltic PCC Limited 2025-1: Summary of Terms

Issuer	Baltic PCC Limited
Insured	Pool Reinsurance Company Limited
Notes Offered	GBP 100,000,000 Series 2025-1 Principal At-Risk Variable Rate Notes due April 6, 2028
Trigger	Indemnity, Annual Aggregate
Covered Event	UK Terror
Risk Period	April 1, 2025 – March 31, 2028

Calculation Agent	Risk Management Solutions, Inc.
One-Year Modeled Attachment Probability	2.75%
One-Year Modeled Expected Loss	2.54%
One-year modeled exhaustion probability	2.34%

Everglades Re II Ltd. Series 2025-1

In Q2 2025, Citizens Property Insurance Corporation successfully issued Everglades Re II 2025-1, the largest Florida hurricane-focused catastrophe bond issuance to date. The transaction totaled $1.525 billion across four tranches of notes, reflecting a nearly 60% upsize from initial launch guidance. This issuance provides indemnity-based, annual aggregate coverage for named storms across the state of Florida.

The bond's structure includes principal amounts ranging from $225 million to $475 million and initial interest spreads between 8.75% and 13.00%, tailored to varying risk profiles. All notes priced within guidance, either on the low end or mid-range. Citizens' strategic use of both traditional and ILS markets enabled robust execution, with catastrophe bonds now supporting approximately 70% of its overall risk transfer program[8]. As of the 2025-1 issuance, Citizens holds $3.125 billion in outstanding notes across 16 series, making it the largest government-sponsored client in the market.

Everglades Re II 2025-1 underscores Citizens' commitment to innovative capital market solutions and its leadership in leveraging alternative capital to enhance financial resilience against hurricane risk.

Everglades Re II Ltd. Series 2025-1: Summary of Terms

Issuer	Everglades Re II Ltd.			
Ceding Insurer	Citizens Property Insurance Corporation			
Notes Offered	$450,000,000 Series 2025-1 Class A Principal At-Risk Variable Rate Notes due May 19, 2028 $475,000,000 Series 2025-1 Class B Principal At-Risk Variable Rate Notes due May 19, 2028 $375,000,000 Series 2025-1 Class C Principal At-Risk Variable Rate Notes due May 19, 2028 $225,000,000 Series 2025-1 Class D Principal At-Risk Variable Rate Notes due May 19, 2028			
Risk Period	May 15, 2025 – May 14, 2028			
Trigger	Indemnity, annual aggregate			
Covered Event	Named Storm			
Covered Territory	The State of Florida			
Calculation Agent	AIR Worldwide Corporation			
	Class A Notes	**Class B Notes**	**Class C Notes**	**Class D Notes**
Modeled Annual Attachment Probability	1.72%	2.07%	2.60%	3.02%

[8] Artemis.bm (https://www.artemis.bm/news/cat-bonds-collateralized-and-ils-managers-took-87-of-florida-citizens-tower-in-2025/)

Modeled Annual Expected Loss	1.56%	1.90%	2.32%	2.80%
Modeled Annual Exhaustion Probability	1.42%	1.72%	2.07%	2.60%

2024 – 2025 Catastrophe Bond Issuances

Q3 2024 Catastrophe Bond Issuance

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
Groupama	Quercus Re DAC	Series 2024-1	-	162	French Wind	Indemnity	Aggregate	2.30%	8.00%
Beazley	PoleStar Re Ltd.	Series 2024-3	Class A	210	WW Cyber Events	Indemnity	Occurrence	0.93%	10.50%

Source: Aon Securities.

Q4 2024 Catastrophe Bond Issuance

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
Prologis	Logistics Re Ltd.	Series 2024-1	Class A	95	US EQ	Indemnity	Occurrence	2.64%	6.00%
Kaiser Permanente	Acorn Re Ltd.	Series 2024-1	Class A	225	Westcoast EQ: CA, OR, UT, NV, AZ, BC in CAN, Baja CA & Sonora in MX	Parametric	Occurrence	0.88%	3.10%
Kaiser Permanente	Acorn Re Ltd.	Series 2024-1	Class B	225	Westcoast EQ: CA, OR, UT, NV, AZ, BC in CAN, Baja CA & Sonora in MX	Parametric	Occurrence	0.88%	
NN Re	Orange Capital Re DAC	Series 2024-1	Class A	79	Belgium and Netherlands: WS, ST (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten)	Indemnity	Occurrence	2.70%	6.00%
USAA	Residential Reinsurance 2024 Limited	Series 2024-2	Class 2	75	US, DC: TC, EQ (including Fire Following), ST, WTS, WF, VE, MI, OP (including Flood from Auto & Renters Policies)	Indemnity	Occurrence	6.14%	13.25%
USAA	Residential Reinsurance 2024 Limited	Series 2024-2	Class 3	200	US, DC: TC, EQ (including Fire Following), ST, WTS, WF, VE, MI, OP (including Flood from Auto & Renters Policies)	Indemnity	Occurrence	3.25%	7.00%
USAA	Residential Reinsurance 2024 Limited	Series 2024-2	Class 4	175	US, DC: TC, EQ (including Fire Following), ST, WTS, WF, VE, MI, OP (including Flood	Indemnity	Occurrence	2.05%	5.25%

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
					from Auto & Renters Policies)				
Ariel Re	Titania Re Ltd.	Series 2024-1	Class A	175	NA: NS, EQ	Industry Loss	Aggregate	2.47%	6.25%
Ariel Re	Titania Re Ltd.	Series 2024-1	Class B	150	NA: NS, EQ	Industry Loss	Aggregate	4.02%	9.50%
GAREAT	Athena I Reinsurance DAC	-	Class A	105	France: Terror	Indemnity	Aggregate	0.99%	5.25%
Talanx	Maschpark Re Ltd.	Series 2024-1	Class A	100	Chile, Peru, Bolivia, Argentina EQ	Parametric	Occurrence	0.92%	3.50%
Renaissance Re	Mona Lisa Re Ltd.	Series 2025-1	Class A	175	US, DC, PR, USVI: NS; US, DC, Canada, PR, USVI: EQ	Industry Loss	Aggregate	3.66%	8.00%
Renaissance Re	Mona Lisa Re Ltd.	Series 2025-1	Class B	175	US, DC, PR, USVI: NS; US, DC, Canada, PR, USVI: EQ	Industry Loss	Aggregate	4.84%	10.50%
Mapfre Re	Recoletos Re DAC	Series 2024-1	Class A	125	US, DC: NS	Industry Loss	Aggregate	2.04%	5.00%
Allstate	Sanders Re II Ltd.	Series 2024-3	Class A	300	US (ex. FL), DC: NS, EQ, SW, Fire, VE, MI	Indemnity	Occurrence	0.88%	4.00%
Allstate	Sanders Re II Ltd.	Series 2024-3	Class B	350	US (ex. FL), DC: NS, EQ, SW, Fire, VE, MI	Indemnity	Occurrence	1.75%	5.25%
AmFam	Four Lakes Re Ltd.	Series 2024-1	Class A	200	US, DC: NS, EQ, ST, WTS, WF	Indemnity	Occurrence	1.64%	5.50%
AmFam	Four Lakes Re Ltd.	Series 2024-1	Class B	75	US, DC: NS, EQ, ST, WTS, WF	Indemnity	Occurrence	2.77%	8.25%
American Coastal	Armor Re II Ltd.	Series 2024-2	Class A	200	FL NS	Indemnity	Occurrence	0.59%	8.50%
ASIG	Bonanza Re Ltd.	Series 2024-1	Class A	70	US, DC: NS, EQ (ex. Shock), ST, WTS, WF	Indemnity	Aggregate	4.09%	
ASIG	Bonanza Re Ltd.	Series 2024-1	Class B	75	US, DC: NS, EQ (ex. Shock), ST, WTS, WF	Indemnity	Occurrence	0.76%	3.75%
ASIG	Bonanza Re Ltd.	Series 2024-1	Class C	200	US, DC: NS, EQ (ex. Shock), ST, WTS, WF	Indemnity	Occurrence	1.82%	5.50%
Liberty Mutual	Mystic Re IV Ltd.	Series 2025-1	Class A	125	US, CAN, CBN: NS, EQ	Indemnity	Occurrence	1.41%	4.00%
Liberty Mutual	Mystic Re IV Ltd.	Series 2025-1	Class B	100	US, CAN, CBN: NS, EQ	Indemnity	Occurrence	5.16%	10.25%
Liberty Mutual	Mystic Re IV Ltd.	Series 2025-1	Class C	100	US, CAN, CBN: NS, EQ, SW, Fire	Indemnity	Aggregate	4.06%	14.00%
Beazley	London Bridge 2 PCC Limited	Series 2024-1	Class A	200	US, DC, CAN, CBN: NS, EQ	Indemnity	Occurrence	0.99%	5.00%
Fidelis	Herbie Re Ltd.	Series 2024-2	Class A	150	US, DC, PR, USVI: NS, EQ	Industry Loss	Aggregate	3.09%	7.25%

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
Fidelis	Herbie Re Ltd.	Series 2024-2	Class B	150	US, DC, PR, USVI: NS, EQ	Industry Loss	Aggregate	4.70%	10.75%
Fidelis	Herbie Re Ltd.	Series 2024-2	Class C	75	US, DC, PR, USVI: NS, EQ	Industry Loss	Aggregate	10.42%	23.00%

Source: Aon Securities.

Q1 2025 Catastrophe Bond Issuance

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
QBE	Bridge Street Re Ltd.	Series 2025-1	Class A	250	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Aggregate	1.29%	4.00%
Safepoint	Nature Coast Re Ltd.	Series 2025-1	Class A	200	FL, LA, AL, MS, TX: NS	Industry Loss	Aggregate	2.92%	9.75%
TD Insurance	MMIFS Re Ltd.	Series 2025-1	Class A	105	CAN: EQ, SCS	Indemnity	Occurrence	0.42%	2.90%
Swiss Re	Matterhorn Re Ltd.	Series 2025-1	Class A	87.5	US, DC, CAN: EQ; CT, DE, DC, ME, MD, MA, NH, NJ, NY, PA, RI, VT, VA, WV, CAN: NS	Industry Loss	Aggregate	3.87%	7.00%
Swiss Re	Matterhorn Re Ltd.	Series 2025-1	Class B	122.5	US, DC, CAN: EQ,NS	Industry Loss	Aggregate	6.00%	12.25%
Inigo	Montoya Re Ltd.	Series 2025-1	Class A	85	US, DC, PR, USVI: NS; US, DC, PR, USVI, CAN: EQ	Industry Loss	Aggregate	2.75%	5.75%
Inigo	Montoya Re Ltd.	Series 2025-1	Class B	30	US, DC, PR, USVI: NS; US, DC, PR, USVI, CAN: EQ	Industry Loss	Occurrence	1.67%	5.75%
Hannover Re	3264 Re Ltd.	Series 2025-1	Class A	100	NA: NS, EQ; US: ST, WTS; CBN: EQ; EU: WS; JP: TY, EQ; CAN: ST, WTS; IT: EQ; Turkey: EQ; AUS: CY, EQ; NZ: EQ	Industry Loss	Aggregate	7.50%	21.25%
Hannover Re	3264 Re Ltd.	Series 2025-1	Class B	100	NA: EQ	Industry Loss	Occurrence	0.92%	3.00%
GeoVera	Veraison Re Ltd.	Series 2025-1	Class A	300	US, DC: EQ	Indemnity	Occurrence	1.42%	3.50%
GeoVera	Veraison Re Ltd.	Series 2025-1	Class B	150	US, DC: EQ	Indemnity	Occurrence	2.38%	5.00%
CEA	Ursa Re Ltd.	Series 2025-1	Class F	400	CAL EQ	Indemnity	Aggregate	4.05%	7.50%
Tower Hill	Winston Re Ltd.	Series 2025-1	Class A	175	FL NS	Indemnity	Occurrence	1.42%	6.50%
Hiscox	Ocelot Re Ltd.	Series 2025-1	Class A	150	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Aggregate	1.35%	4.50%
Hiscox	Ocelot Re Ltd.	Series 2025-1	Class B	50	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Occurrence	1.89%	6.25%
American Integrity	Integrity Re III Ltd.	Series 2025-1	Class A1	50	FL, GA, NC, SC: NS	Indemnity	Occurrence	1.58%	8.00%

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
American Integrity	Integrity Re III Ltd.	Series 2025-1	Class A2	100	FL, GA, NC, SC: NS	Indemnity	Occurrence	1.58%	8.00%
American Integrity	Integrity Re III Ltd.	Series 2025-1	Class B1	50	FL, GA, NC, SC: NS	Indemnity	Occurrence	2.01%	9.75%
American Integrity	Integrity Re III Ltd.	Series 2025-1	Class B2	100	FL, GA, NC, SC: NS	Indemnity	Occurrence	2.01%	9.75%
American Integrity	Integrity Re III Ltd.	Series 2025-1	Class C	165	FL, GA, NC, SC: NS	Indemnity	Occurrence	2.55%	12.25%
American Integrity	Integrity Re III Ltd.	Series 2025-1	Class D	100	FL, GA, NC, SC: NS	Indemnity	Occurrence	4.52%	25.50%
SURE	Gateway Re Ltd.	Series 2025-1	Class AAA	110	AL, LA, MS, NY, NC, SC, TX: NS	Indemnity	Occurrence	1.07%	4.25%
SURE	Gateway Re Ltd.	Series 2025-1	Class AA	130	AL, FL, LA, MS, NY, NC, SC, TX: NS	Indemnity	Occurrence	1.79%	
SURE	Gateway Re Ltd.	Series 2025-1	Class A	80	AL, FL, LA, MS, NY, NC, SC, TX: NS	Indemnity	Occurrence	3.17%	10.50%
SURE	Gateway Re Ltd.	Series 2025-1	Class C1	50	AL, FL, LA, MS, NY, NC, SC, TX: NS	Indemnity	Occurrence	1.31%	
SURE	Gateway Re Ltd.	Series 2025-1	Class C2	150	AL, FL, LA, MS, NY, NC, SC, TX: NS	Indemnity	Occurrence	1.31%	9.50%
Security First	First Coast Re IV Ltd.	Series 2025-1	Class A	100	FL NS	Indemnity	Occurrence	1.30%	6.50%
Security First	First Coast Re IV Ltd.	Series 2025-1	Class B	150	FL NS	Indemnity	Occurrence	2.25%	7.50%
NCIUA	Cape Lookout Re Ltd.	Series 2025-1	Class A	600	NC NS	Indemnity	Aggregate	2.24%	6.90%
KIN	Hestia Re Ltd.	Series 2025-1	Class A	200	FL NS	Indemnity	Occurrence	1.51%	6.75%
KIN	Hestia Re Ltd.	Series 2025-1	Class B	100	FL NS	Indemnity	Occurrence	2.03%	8.25%
Heritage	Citrus Re Ltd.	Series 2025-1	Class A	100	AL, FL, GA, MS, NC, SC: NS	Indemnity	Occurrence	1.57%	7.75%
Heritage	Citrus Re Ltd.	Series 2025-1	Class B	100	HI NS	Indemnity	Occurrence	1.33%	4.50%
Flood Re	London Bridge 2 PCC Limited	Series 2025-1	Class A	182.05	UK Flood	Indemnity	Aggregate	1.70%	5.75%
AXIS	Northshore Re II Limited	Series 2025-1	Class A	200	US, DC, PR, USVI: NS; US, DC, CAN: EQ	Industry Loss	Occurrence	2.10%	5.00%
Allstate	Sanders Re II Ltd.	Series2025-1	Class A-1	175	US (ex. FL), DC: NS, EQ, SW, Fire, VE, MI	Indemnity	Occurrence	0.62%	4.00%
Allstate	Sanders Re II Ltd.	Series 2025-1	Class A-2	175	US (ex. FL), DC: NS, EQ, SW, Fire, VE, MI	Indemnity	Occurrence	0.62%	4.25%
Allstate	Sanders Re II Ltd.	Series 2025-1	Class B-1	100	US (ex. FL), DC: NS, EQ, SW, Fire, VE, MI	Indemnity	Occurrence	0.88%	4.50%
Allstate	Sanders Re II Ltd.	Series 2025-1	Class B-2	300	US (ex. FL), DC: NS, EQ, SW, Fire, VE, MI	Indemnity	Occurrence	0.88%	4.75%
Core Specialty	Yosemite Re Ltd.	Series 2025-1	Class A	95	US, DC: NS, EQ	Indemnity	Occurrence	1.80%	7.25%

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
Sompo Japan	Sakura Re Ltd.	Series 2025-1	Class A	150	JP: TY, FL	Indemnity	Occurrence	1.58%	2.75%
Sutton	Greengrove Re Ltd.	Series 2025-1	Class A	100	CA: WF, FF	Indemnity	Occurrence	1.44%	7.75%
Pool Re	Baltic PCC Limited	Series 2025-1	-	129.48	UK TR	Indemnity	Aggregate	2.54%	5.90%
Brit	London Bridge 2 PCC Limited	Series 2025-1	Class A	100	US NS; CAN EQ	Industry loss	Aggregate	3.58%	7.50%

Source: Aon Securities.

Q2 2025 Catastrophe Bond Issuance

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
Safepoint	Nature Coast Re Ltd.	Series 2025-2	Class A	150	FL, LA, AL, MS, TX: NS	Indemnity	Occurrence	1.58%	9.75%
SURE	Gateway Re Ltd.	Series 2025-2	Class A	150	LA, MS, SC, TX: NS	Indemnity	Occurrence	1.86%	7.00%
Florida Peninsula	Palm Re Ltd.	Series 2025-1	Class A	250	FL NS	Indemnity	Occurrence	1.80%	7.75%
SCOR	Atlas Capital DAC	Series 2025-1	Class A	240	US, PR, USVI, DC, CBN: NS; US, PR, USVI, DC, CAN: EQ; EU WS	Industry Loss	Aggregate	3.29%	7.25%
Zenkyoren	Nakama Re Pte. Ltd.	Series 2025-1	Class 1	100	JP EQ	Indemnity	Aggregate	0.74%	2.10%
LA Citizens	Bayou Re Ltd.	Series 2025-1	Class A	280	LA NS	Indemnity	Occurrence	1.69%	7.00%
GAIC	Riverfront Re Ltd.	-	Class A	200	US, DC, CAN: NS, EQ, ST, WS, WF, VE, MI	Indemnity	Occurrence	0.56%	5.50%
GAIC	Riverfront Re Ltd.	-	Class B	110	US, DC, CAN: NS, EQ, ST, WS, WF, VE, MI	Indemnity	Occurrence	1.54%	7.75%
Peak Re	Black Kite Re Ltd.	Series 2025-1	Class A	50	JP: EQ, TY; China EQ; India EQ	Industry Loss / Parametric	Occurrence	3.78%	8.00%
Palomar Specialty	Torrey Pines Re Ltd.	Series 2025-1	Class A	150	CA EQ	Indemnity	Occurrence	1.22%	3.75%
Palomar Specialty	Torrey Pines Re Ltd.	Series 2025-1	Class B	200	CA EQ	Indemnity	Occurrence	1.84%	4.50%
Palomar Specialty	Torrey Pines Re Ltd.	Series 2025-1	Class C	175	CA EQ	Indemnity	Occurrence	3.25%	6.50%
Utica National	Genesee Street Re Ltd.	Series 2025-1	Class A	150	CT, DE, DC, GA, ME, MD, MA, NH, NJ, NY, NC, OH, PA, RI, SC, TN, VT, VA, WV: NS, ST	Indemnity	Occurrence	0.61%	3.25%
Ocean Harbor	Oceanside Re Ltd.	Series 2025-1	Class A	75	NY: NS, SW	Indemnity	Occurrence	3.10%	6.00%

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
Slide Insurance	Purple Re Ltd.	Series 2025-1	Class A	125	FL, SC: NS	Indemnity	Occurrence	1.04%	7.25%
Slide Insurance	Purple Re Ltd.	Series 2025-1	Class B	125	FL, SC: NS	Indemnity	Occurrence	1.24%	7.75%
U.S. Coastal	Chartwell Re Ltd.	Series 2025-1	Class A	170	AL, FL, MS, NJ, NY, RI, TX: NS	Indemnity	Occurrence	1.46%	6.00%
U.S. Coastal	Chartwell Re Ltd.	Series 2025-1	Class B	100	AL, FL, MS, NJ, NY, RI, TX: NS	Indemnity	Occurrence	2.36%	7.00%
U.S. Coastal	Chartwell Re Ltd.	Series 2025-1	Class C	60	AL, FL, MS, NJ, NY, RI, TX: NS	Indemnity	Occurrence	3.60%	9.25%
USAA	Residential Reinsurance 2025 Limited	Series 2025-1	Class 13	50	US, DC: TC, EQ (including Fire Following), ST, WTS, WF, VE, MI, OP (including Flood from Auto & Renters Policies)	Indemnity	Aggregate	2.25%	13.00%
USAA	Residential Reinsurance 2025 Limited	Series 2025-1	Class 14	150	US, DC: TC, EQ (including Fire Following), ST, WTS, WF, VE, MI, OP (including Flood from Auto & Renters Policies)	Indemnity	Aggregate	0.99%	7.75%
USAA	Residential Reinsurance 2025 Limited	Series 2025-1	Class 15	225	US, DC: TC, EQ (including Fire Following), ST, WTS, WF, VE, MI, OP (including Flood from Auto & Renters Policies)	Indemnity	Aggregate	0.61%	5.75%
TWIA	Bluebonnet Re Ltd.	Series 2025-1	Class A	250	TX: NS, ST	Indemnity	Aggregate	1.84%	5.75%
TWIA	Bluebonnet Re Ltd.	Series 2025-1	Class B	200	TX: NS, ST	Indemnity	Aggregate	3.18%	8.50%
TWIA	Bluebonnet Re Ltd.	Series 2025-1	Class C	100	TX: NS, ST	Indemnity	Aggregate	4.50%	11.75%
Texas FAIR Plan	Bluebonnet Re Ltd.	Series 2025-2	Class A	200	TX: NS, ST, WF	Indemnity	Occurrence	4.07%	12.00%
Citizens Property	Everglades Re II Ltd.	Series 2025-1	Class A	450	FL NS	Indemnity	Aggregate	1.56%	8.75%
Citizens Property	Everglades Re II Ltd.	Series 2025-1	Class B	475	FL NS	Indemnity	Aggregate	1.90%	9.75%
Citizens Property	Everglades Re II Ltd.	Series 2025-1	Class C	375	FL NS	Indemnity	Aggregate	2.32%	11.25%
Citizens Property	Everglades Re II Ltd.	Series 2025-1	Class D	225	FL NS	Indemnity	Aggregate	2.80%	13.00%
Zenkyoren / SV Sparkassen Versicherung Gebäudeversicherung	Liongate Re DAC	-	-	100	JP EQ; Germany EQ	Indemnity/ Parametric	Aggregate/ Occurrence	1.15%	3.50%

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
State Farm	Merna Re II Ltd.	Series 2025-1	Class A	200	FL: NS, SCS	Indemnity	Occurrence	2.66%	7.75%
State Farm	Merna Re II Ltd.	Series 2025-1	Class A	300	TX: NS	Indemnity	Occurrence	3.68%	8.75%
State Farm	Merna Re Companywide Ltd.	Series 2025-1	Class A	500	State Farm Fire: US, DC (Excl. CA, FL, TX): EQ, NS; State Farm Lloyds: TX NS	Indemnity	Occurrence	2.23%	7.00%
State Farm	Merna Re Enterprise Ltd.	Series 2025-1	Class A	550	US, DC (Excl. CA) WS, Hail, Tornado, HU, TC, EQ, WTS	Indemnity	Aggregate	1.78%	7.75%
Kingstone	1886 Re Ltd.	Series 2025-1	Class A	125	NY, NJ, CT, MA, RI: NS	Indemnity	Occurrence	1.48%	4.50%
Hannover Re	3264 Re Ltd.	Series 2025-2	Class A	150	GA, SC, NC, VA, MD, DE, PA, NJ, NY, CN, RI, MA, VM, NH, MN, DC: NS; US, DC, CAN: EQ	Industry Loss	Occurrence / Aggregate	3.68%	7.50%
Allstate	Sanders Re II Ltd.	Series 2025-2	Class A	150	FL: NS, EQ, SW, Fire, VE, MI	Indemnity	Occurrence	1.74%	7.00%
Generali	Lion Re DAC	Series 2025-1	Class A	141.25	EU WS	Indemnity	Occurrence	3.00%	5.50%
Generali	Lion Re DAC	Series 2025-1	Class B	84.75	IT EQ	Indemnity	Occurrence	2.33%	6.00%
Fidelis	Herbie Re Ltd.	Series 2025-1	Class A	90	NA: NS, EQ; US: ST, WF, WTS; US CAR: EQ; JP: TY, EQ; CAN: ST, WTS; IT: EQ; Turkey: EQ; AU: EQ, TC; NZ: EQ	Industry Loss	Aggregate	8.79%	31.00%
MA Property	Mayflower Re Ltd.	Series 2025-1	Class A	225	MA: NS, ST, WTS	Indemnity	Aggregate	0.90%	3.50%
Hanover Insurance	Commonwealth Re Ltd.	Series 2025-1	Class A	200	US, DC: NS, EQ, ST, WTS, WF	Indemnity	Occurrence	1.02%	3.75%
Canopius	Finca Re Ltd	Series 2025-1	Class A	125	US, DC, PR, USVI: NS, EQ	Industry Loss	Aggregate	1.85%	5.25%
CEA	Ursa Re II Ltd.	Series 2025-1	Class G	400	CAL EQ	Indemnity	Aggregate	4.88%	9.00%
TIC	Solis Re Ltd.	Series 2025-1	Class A	150	CT, DE, ME, MD, MA, NY, NJ, NH, PA, RI, VT, VA, WV, DC: NS	Indemnity	Occurrence	0.68%	3.50%
Vermont Mutual	Baldwin Re Ltd.	Series 2025-1	Class A	250	CT, ME, MA, NH, NY, RI, and VT: NS, EQ, SW, F	Indemnity	Occurrence	1.10%	3.75%
Everest	Kilimanjaro II Re Limited	Series 2025-1	Class A-1	105	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Aggregate	1.10%	4.00%
Everest	Kilimanjaro II Re Limited	Series 2025-1	Class B-1	120	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Aggregate	2.84%	6.50%
Everest	Kilimanjaro II Re Limited	Series 2025-1	Class C-1	170	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Occurrence	1.52%	4.25%
Everest	Kilimanjaro II Re Limited	Series 2025-1	Class D-1	105	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Occurrence	3.55%	6.75%

Beneficiary	Issuer	Series	Class	Issue Size ($ million)	Covered Perils	Trigger	Recovery	Initial Expected Loss	Initial Issuance Spread
Everest	Kilimanjaro II Re Limited	Series 2025-2	Class A-2	105	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Aggregate	1.10%	4.00%
Everest	Kilimanjaro II Re Limited	Series 2025-2	Class B-2	120	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Aggregate	2.84%	6.50%
Everest	Kilimanjaro II Re Limited	Series 2025-2	Class C-2	170	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Occurrence	1.52%	4.25%
Everest	Kilimanjaro II Re Limited	Series 2025-2	Class D-2	105	US, DC, PR, USVI, CAN: NS, EQ	Industry Loss	Occurrence	3.55%	6.75%
Convex	Hypatia Ltd.	Series 2025-1	Class A	150	US, DC, PR, USVI: NS, EQ	Industry Loss	Aggregate	4.48%	8.50%

Source: Aon Securities.

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