American Overseas Reinsurance Company Limited
Summary of Mortgage and Collateralized Debt Obligation Exposure
September 1, 2017

The following summarizes American Overseas Reinsurance Company Limited's ("AORe" or the "Company") exposure to residential mortgage-backed securities, or RMBS, and collateralized debt obligations, or CDOs, as of June 30, 2017. AORe generally follows the classifications for mortgage and CDO securities used by the primary insurers and reported to AORe.

AORe Ratings

AORe monitors credit changes on an ongoing basis through discussions with the primaries and internal surveillance. The AORe ratings shown in the tables below take into consideration the current ratings of the primaries and the rating agencies as of our review on August 21, 2017.

Mortgage Securities Exposure

The following table summarizes AORe's RMBS outstanding par exposure as of June 30, 2017, by loan type and vintage.

Total RMBS Exposure by Vintage

($MM)

	Pre-2002	2002	2003	2004	2005	2006	2007	2008	Grand Total
Subprime	$4.2	$0.7	$2.6	$3.6	$0.9	$7.5	$7.8	$0.6	$27.8
Other Mortgage	$0.0	$0.0	$0.0	$1.8	$4.4	$11.4	$29.1	$0.0	$46.8
International	$0.0	$0.0	$0.0	$0.9	$0.0	$5.5	$0.6	$0.0	$7.0
	$4.2	$0.7	$2.6	$6.3	$5.3	$24.4	$37.6	$0.6	$81.6

The following table provides the break-down of AORe's mortgage exposure outstanding as of June 30, 2017, for deals closed since January 1, 2005, by product type and AORe Rating.

Mortgage Securities Exposure
Net Par Outstanding as of June 30, 2017
Vintages 2005-2008

($MM)

	AORe Rating				
RMBS	AAA/AA	A	BBB	BIG*	Total
HELOCs	$0.0	$0.0	$0.0	$22.3	$22.3
Closed-End Seconds	$0.4	$0.0	$0.0	$1.2	$1.6
Alt A	$9.2	$0.0	$0.0	$11.0	$20.2
Option ARMs	$0.1	$0.0	$0.0	$0.7	$0.9
Subprime	$1.1	$0.0	$0.1	$15.5	$16.8
NIMs	$0.0	$0.0	$0.0	$0.0	$0.0
International	$0.2	$0.4	$5.5	$0.0	$6.1
Total	$11.0	$0.4	$5.6	$50.8	$67.8

* Below investment grade

The following table lists the top five largest issuers of US mortgage securities in AORe's portfolio by AORe par outstanding and provides the outstanding par amount of HELOC, Closed-End Seconds (CES), Sub-prime, Option ARMs and Alt A issued by each as of June 30, 2017.

US RMBS Exposure by Issuer and Type

	($MM)			Outstanding Par			
	Issuer Name	Total	Alt A	Opt ARM	HELOC	CES	Subprime
1	Countrywide	$23.5	$0.2	$0.0	$22.0	$0.0	$1.2
2	Impac Funding Corp	$13.7	$13.7	$0.0	$0.0	$0.0	$0.0
3	Doral	$7.3	$0.0	$0.0	$0.0	$0.0	$7.3
4	Terwin Mortgage	$6.3	$5.2	$0.0	$0.0	$0.9	$0.2
5	Ace Securities Corp.	$5.4	$0.0	$0.0	$0.0	$0.7	$4.7
		$56.2	$19.1	$0.0	$22.0	$1.6	$13.4

CDO Exposure

AORe's total CDO par exposure was $129.5 million as of June 30, 2017. The distribution of AORe's total outstanding CDO portfolio by AORe rating is as follows:

Total CDO Exposure by Rating

($MM)

AORe Rating	Outsdg Par	Pct
AAA	$114.1	88.1%
AA	$8.3	6.4%
A	$0.0	0.0%
BBB	$0.0	0.0%
BIG	$7.1	5.5%
	$129.5	100.0%

Total CDO Exposure by Type of CDO

The following table breaks down AORe's total CDO exposure by type of CDO:

($MM)

CDO Type	Outsdg Par	Pct
HY	$24.7	19.0%
DBL	$100.6	77.7%
IG	$4.2	3.3%
MS	$0.0	0.0%
EM	$0.0	0.0%
	$129.5	100.0%

The definitions of the CDO types in the above table are as follows:

IG – Investment grade corporate (predominantly corporate, may include limited ABS)
HY – Non-investment grade corporates, predominantly CLOs backed by corporate loans
MS – Multi-sector collateral, which may include MBS (including Sub-prime), ABS, CDOs, CMBS and other asset-backed securities
EM – Emerging market sovereign debt obligations
DBL – "Double-Wrap" or "second-to-default" CDOs that are backed by collateral, but are wrapped by a financial guaranty company.

Multi-Sector CDOs

AORe's multi-sector CDO exposure is no longer backed by RMBS collateral or CDOs backed by CDOs ("CDO-squared"). Our remaining multi-sector CDO exposure is backed by CMBS collateral and are all rated at or above AA.

HY CDO Exposure by Collateral Type

The following table further segregates AORe's HY CDOs by collateral and structure:

($MM)

CLO Breakdown	Outsdg Par	Pct
TRUPs	$8.1	33.0%
CF CLO	$16.5	67.0%
HY Synth	$0.0	0.0%
MV CLO	$0.0	0.0%
	$24.7	100.0%

The definitions of the CLO types in the above table are as follows:

CF CLO - Cash Flow CLO transactions secured primarily by secured term loans to large or middle market below investment grade corporations.

TRUPS - Trust Preferred CDO transactions secured primarily by long term (30 year), deeply subordinated securities issued by banks, insurance companies or REITs.

MV CLO - Market Value CLO transactions secured by a range of debt and equity securities issued by generally below investment grade corporations. Overcollateralization requirements are set according to a schedule based primarily on asset type. Collateral is valued periodically. If collateral values do not result in the required overcollateralization, manager must sell assets to either rebalance the portfolio or pay down senior notes to bring tests into compliance.

HY Synth - High Yield Synthetic credit derivative transactions that reference a static pool of credit default swaps against below investment grade, corporate credits.

Total TRUPs Exposure by Rating

The distribution of AORe's TRUPs portfolio by AORe rating is as follows:

($MM)

AORe Rating	Outsdg Par	Pct
AAA	$0.0	0.0%
AA	$1.0	12.6%
A	$0.0	0.0%
BBB	$0.0	0.0%
BIG	$7.1	87.4%
	$8.1	100.0%

Forward-Looking Statements

This release contains statements that may be considered "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and the current views of the economic and operating environment and are not guarantees of future performance. A number of risks and uncertainties, including economic competitive conditions, could cause actual results to differ materially from those projected in forward-looking statements. The Company's actual results could differ materially from those expressed or implied in the forward-looking statements. Among the factors that could cause actual results to differ materially are: (i) the Company's ability to execute its business strategy, including with respect to any new reinsurance businesses; (ii) changes in general economic conditions, including inflation, foreign currency exchange rates, interest rates and other factors; (iii) the loss of significant customers with which AORE has a concentration of its reinsurance in force; (iv) legislative, regulatory and court developments; (v) changes in regulations or tax laws applicable to the Company or its customers; (vi) more severe or more frequent losses associated with AORE's insured portfolio; (vii) losses on credit derivatives; (viii) changes in the Company's accounting policies and procedures that impact the Company's reported financial results; (ix) the effects of ongoing and future litigation, and (x) other risks and uncertainties that have not been identified at this time. The Company undertakes no obligation to revise or update any forward-looking statement to reflect changes in conditions, events, or expectations, except as required by law.