



A.M. BEST COMPANY, INC.

Compensation Disclosure

Local business operations of A.M. Best Company, Inc. (“A.M. Best”) are conducted through A.M. Best Asia-Pacific Limited. A.M. Best receives credit rating services fees from the organizations/issuers that it rates, and in certain instances, receives such fees from organizations/issuers that do not result in the issuance of a publicly disclosed A.M. Best credit rating. A.M. Best may also receive compensation from rated entities for non-rating related services or products offered by A.M. Best.

A.M. Best acknowledges that the issuer-pays business model, which is common to the major credit rating agencies, gives rise to the perception of a conflict of interest. To alleviate such concerns, A.M. Best has instituted strict policies and procedures related to its credit rating activities that focus on preserving the integrity, independence and objectivity of the credit rating process. These policies and procedures are outlined in the company’s Code of Conduct and related policies and procedures and are published on our web site at: <http://www.ambest.com/ambap/nrsro/index.html>

Credit Rating Services Fees

Financial Strength and Issuer Credit Rating Fees

- Annual fees may range up to US\$1,500,000 per organization/issuer.

Debt Rating Fees

- Corporate Debt/Shelf Registrations/Note and Commercial Paper Programs:
 - Fees may range up to a maximum of US\$120,000 per issue
 - Surveillance fees may range up to US\$25,000
- Insurance-Linked Structured Transactions:
 - Fees range up to 10 basis points of the par issuance amount and can vary based on the complexity of the transaction
 - Surveillance fees generally range from US\$5,000 to US\$50,000

Note: A.M. Best does not charge rated entities any fees for publishing the rated entity’s Best Ratings on A.M. Best’s publicly available web site.

Non-Rating Products and Services Fees

A.M. Best charges subscription fees for non-rating products and services offered by the company including news services, publications and data products. Pricing for these products and services is available on Best’s web site, or by contacting our product sales team at sales@ambest.com. A.M. Best receives compensation for non-rating products and services purchased by entities that it rates., A.M. Best Asia-Pacific Limited does not receive any non-rating products and services fees from its rated entities and/or their affiliates. Net (total) revenues received from any organization, which includes all revenue received from each entity within a given organization, is substantially less than 10% of total A.M. Best net revenue, the threshold established by the U.S. Securities and Exchange Commission for conflict of interest violations.

In accordance with the Code of Conduct for Persons Providing Credit Rating Services published by the Hong Kong Securities and Futures Commission, A.M. Best Asia-Pacific Limited is required to disclose the parties (i.e. a single issuer, originator, arranger, client or subscriber and/or any affiliate of such issuer, originator, arranger, client or subscriber) where total remuneration exceeds 5% of the Company’s total annual revenue. A.M. Best Asia-Pacific Limited had not been remunerated by any single issuer/organization that accounted for 5% or more of the total annual revenue in 2014.