



NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE – RATING SERVICES LIMITED, LONDON
A.M. BEST EUROPE – INFORMATION SERVICES LIMITED, LONDON • A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

FOR IMMEDIATE RELEASE

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**A.M. Best Affirms Ratings of American Financial Group, Inc.,
Most of Its P/C Subsidiaries and Upgrades Ratings of Mid-Continent**

Ratings Supplement

The FSR of A (Excellent) and ICRs of “a+” have been affirmed with a positive outlook for **Great American Insurance Company** and its following pooling affiliates (collectively referred to as **Great American Insurance Companies** or Great American):

- **Great American Contemporary Insurance Company**
- **Great American Alliance Insurance Company**
- **Great American Assurance Company**
- **Great American Casualty Insurance Company**
- **Great American E&S Insurance Company**
- **Great American Fidelity Insurance Company**
- **Great American Insurance Company of New York**
- **Great American Lloyd’s Insurance Company**
- **Great American Protection Insurance Company**
- **Great American Security Insurance Company**
- **Great American Spirit Insurance Company**

The FSR has been upgraded to A+ (Superior) from A (Excellent) and the ICRs have been upgraded to “aa-” from “a+”, with the outlook revised to stable from positive for the following property/casualty members of **Mid-Continent Group**:

- **Mid-Continent Assurance Company**
- **Mid-Continent Casualty Company**
- **Oklahoma Surety Company**
- **Mid-Continent Excess and Surplus Insurance Company**

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—2—

The FSR of A (Excellent) and ICRs of “a” have been affirmed with a stable outlook for the following property/casualty members of **Republic Indemnity Insurance Pool**:

- **Republic Indemnity Company of America**
- **Republic Indemnity Company of California**

The FSR of A+ (Superior) and ICRs of “aa” have been affirmed with a stable outlook for the following property/casualty members of **American Empire Surplus Lines Pool**:

- **American Empire Insurance Company**
- **American Empire Surplus Lines Company**

The ICR of “bbb+” has been affirmed with a positive outlook for **American Financial Group, Inc.**

The following debt ratings have been affirmed with a positive outlook:

American Financial Group, Inc.—

- “bbb+” on \$350 million 9.875% senior unsecured notes, due 2019
- “bbb+” on \$115 million 7.125% senior unsecured debentures, due 2034
- “bbb+” on \$125 million 5.75% senior unsecured notes, due 2042
- “bbb+” on \$200 million 6.375% senior unsecured notes, due 2042
- “bbb+” on \$132 million 7% senior unsecured notes, due 2050

The following indicative ratings have been affirmed with a positive outlook under the shelf registration:

American Financial Group, Inc.—

- “bbb+” on senior unsecured debt
- “bbb” on subordinated debt
- “bbb-” on preferred stock

American Financial Capital Trust II, III & IV—

- “bbb-” on preferred securities

The ICR of “bbb+” has been withdrawn for **AAG Holding Company Inc.** (AAG), due to the rating no longer being required following the retirement of its two outstanding senior notes in July of 2012. AAG is an intermediate holding company whose ultimate parent is **American Financial Group, Inc.**

The methodology used in determining these ratings is Best’s Credit Rating Methodology, which provides a comprehensive explanation of A.M. Best’s rating process and contains the different rating criteria employed in

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—3—

the rating process. Key criteria utilized include: “Understanding BCAR for Property/Casualty Insurers”; “Understanding Universal BCAR”; “Catastrophe Analysis in A.M. Best Ratings”; “Insurance Holding Company and Debt Ratings”; “Rating Members of Insurance Groups”; “Rating Natural Catastrophe Bonds”; “Risk Management and the Rating Process for Insurance Companies”; and “The Treatment of Terrorism Risk in the Rating Evaluation.” Best’s Credit Rating Methodology can be found at www.ambest.com/ratings/methodology.

Founded in 1899, A.M. Best Company is the world's oldest and most authoritative insurance rating and information source. For more information, visit www.ambest.com.

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