



NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE, LTD., LONDON
A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

FOR IMMEDIATE RELEASE

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A.M. Best Downgrades Ratings of Unitrin, Inc. and Its Key Subsidiaries

Ratings Supplement

The FSR has been downgraded to A- (Excellent) from A (Excellent) and the ICRs to “a-” from “a” with a stable outlook for **Unitrin Property and Casualty Insurance Group** and its following members:

- **Trinity Universal Insurance Company**
- **Alpha Property & Casualty Insurance Company**
- **Capitol County Mutual Fire Insurance Company**
- **Charter Indemnity Company**
- **Financial Indemnity Company**
- **Kemper Independence Insurance Company**
- **Merastar Insurance Company**
- **Old Reliable Casualty Company**
- **Union National Fire Insurance Company**
- **United Casualty Insurance Company of America**
- **Unitrin Advantage Insurance Company**
- **Unitrin Auto and Home Insurance Company**
- **Unitrin County Mutual Insurance Company**
- **Unitrin Direct Insurance Company**
- **Unitrin Direct Property & Casualty Company**
- **Unitrin Preferred Insurance Company**
- **Unitrin Safeguard Insurance Company**
- **Valley Insurance Company**
- **Valley Property & Casualty Insurance Company**

The FSR has been upgraded to A- (Excellent) from B+ (Good) and the ICR to “a-” from “bbb-”, with a revised outlook to stable from positive for **Mutual Savings Fire Insurance Company**.

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—2—

The FSR of B++ (Good) and ICRs of “bbb” have been affirmed, removed from under review with positive implications and assigned a positive outlook to **Response Insurance Group** and its following members:

- **Response Insurance Company**
- **National Merit Insurance Company**
- **Response Worldwide Direct Auto Insurance Company**
- **Response Worldwide Insurance Company**
- **Warner Insurance Company**

The FSR of B++ (Good) and ICR of “bbb” have been affirmed, removed from under review with positive implications and assigned a positive outlook for **Response Indemnity Company of California**, the separately rated entity of the **Response Insurance Group**.

The FSR has been downgraded to A- (Excellent) from A (Excellent) and the ICRs to “a-” from “a” with a stable outlook for the following life/health subsidiaries of **Unitrin, Inc.**:

- **United Insurance Company of America**
- **The Reliable Life Insurance Company**
- **Union National Life Insurance Company**

The FSR of A- (Excellent) and ICR of “a-” have been affirmed with a stable outlook for Unitrin, Inc.’s life/health subsidiary, **Reserve National Insurance Company**.

The FSR has been upgraded to A- (Excellent) from B++ (Good) and the ICR to “a-” from “bbb” with a stable outlook for **Mutual Savings Life Insurance Company**.

The ICR has been downgraded to “bbb-” from “bbb” with a stable outlook for **Unitrin, Inc.**

The following debt ratings have been downgraded with a stable outlook.

Unitrin, Inc.—

- to “bbb-” from “bbb” on \$200 million 4.875% senior unsecured notes, due 2010
- to “bbb-” from “bbb” on \$360 million 6.00% senior unsecured notes, due 2017

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—3—

The principal methodologies used in determining these ratings, including any additional methodologies and factors that may have been considered, can be found at www.ambest.com/ratings/methodology.

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