



# 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**

**July 30, 2008**

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**A.M. Best Affirms Ratings of HCC Insurance Holdings, Inc.  
and Its Subsidiaries; Revises Outlook to Stable**

## **Ratings Supplement**

The FSRs of A+ (Superior) and ICRs of “aa-” have been affirmed with a revised outlook to stable from negative for **HCC Insurance Holdings** and its following members:

- **Houston Casualty Company**
- **Avemco Insurance Company**
- **U.S. Specialty Insurance Company**
- **HCC Insurance Company**
- **HCC Specialty Insurance Company**

The FSRs of A (Excellent) and ICRs of “a” have been affirmed with a revised outlook to stable from negative for the following subsidiaries of **HCC Insurance Holdings, Inc.**:

- **American Contractors Indemnity Company**
- **United States Surety Company**

The FSR of A+ (Superior) and ICR of “aa-” have been affirmed with a revised outlook to stable from negative for **HCC Life Insurance Company**, a subsidiary of **HCC Insurance Holdings, Inc.**

The FSR of A- (Excellent) and ICR of “a-” have been affirmed with a stable outlook for **Pioneer General Insurance Company**, a subsidiary of **HCC Insurance Holdings, Inc.**

The FSR of A (Excellent) and ICR of “a+” have been affirmed for **Perico Life Insurance Company**, a subsidiary of **HCC Insurance Holdings, Inc.** The outlook for the FSR is stable, and the outlook for the ICR has been revised to stable from negative.

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The ICR of “a-” has been affirmed with a revised outlook to stable from negative for **HCC Insurance Holdings, Inc.**

The following debt rating has been affirmed with a revised outlook to stable from negative:

**HCC Insurance Holdings, Inc.—**

-- “a-” on \$125.0 million of 1.3% senior unsecured convertible notes, due 2023

The following indicative debt ratings have been affirmed with a revised outlook to stable from negative:

**HCC Insurance Holdings, Inc.—**

-- “a-” on senior unsecured

-- “bbb+” on subordinated

**HCC Capital Trust I and II—**

-- “bbb+” on preferred securities

**Founded in 1899, A.M. Best Company is a global full-service credit rating organization dedicated to serving the financial and health care service industries, including insurance companies, banks, hospitals and health care system providers. For more information, visit [www.ambest.com](http://www.ambest.com).**

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