

# Indispensable Analysis. Timely Information.



## Best's Insurance Reports®

P/C, US & Canada • L/H, US & Canada • L/NL, Non US

***Best's Insurance Reports*** brings together insightful analysis and the most up-to-date insurer information, to support top-level research and intelligent decision making.

**Credit reports** focus exclusively on the details and analysis supporting the current Best's Credit Ratings at the time they were assigned.

**Financial reports** offer the most recent company information and financial data for insurers and groups.

- Leverage your strategic planning and expand your research with AM Best's evaluation of factors affecting insurers' financial health: balance sheet strength, holding company assessment, country risk profile, operating performance, business profile and enterprise risk management.
- Gain insight from financial metrics and qualitative factors considered in our analytical process when ratings are assigned.
- Inform your analysis with the latest financial data and company information.
- Determine whether a rating unit's capitalization is appropriate for its risk profile.
- Monitor insurers' creditworthiness and changes to their ratings.
- Benchmark companies against peers or industry composites.
- Understand the entire structure of insurance corporations and the impact of holding companies on subsidiaries' overall financial strength with capital infusions or access to capital markets.
- Learn about surviving insurance companies after mergers or other corporate changes.

(Continued)

- AM Best's independent opinion of insurers' financial strength and ability to meet ongoing policy and contract obligations
- In-depth analysis of rating units evaluated during AM Best's rating process
- Assessment descriptors of the factors evaluated during the rating process
- Current company information, including officers and directors, corporate changes, mergers and

acquisitions and licensing information for US and Canadian insurers  
Five years of relevant annual financial metrics for all insurers and reinsurers in the edition purchased, and quarterly data for US companies  
Access to historical Best's Credit Ratings, Best's Capital Adequacy Ratio (BCAR) scores and reports previously published by AM Best for the industry purchased

**BEST**

## BEST'S CREDIT RATING

**Best's Credit Rating Effective Date:**  
May 23, 2019

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**Information**  
Best's Credit Rating Methodology:  
Understanding Best's Credit Ratings  
Market Segment Outlooks

**Financial Data Presented**  
The financial data in this report includes all ratings and members as well as certain Sample Insurance Group affiliates that are not rated by AM Best. A list of those non-rated affiliates is available here: list of companies.  
The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial analysis in this report are available here: Best's Financial Report.

**Sample Insurance Group**  
AMB #: 000000  
Associated Ultimate Parent: AMB # 000000 - The Sample Corporation

Best's Credit Ratings	Issuer Credit Rating (ICR)
<b>A+</b> Superior Outlook: Stable Action: Affirmed	<b>aa</b> Superior Outlook: Stable Action: Affirmed

**Assessment Descriptors**

Balance Sheet Strength	Trend
Strong	Stable
Operating Performance	Favorable
Business Profile	Very Strong
Enterprise Risk Management	

**Rating Unit - Members**  
Rating Unit: Sample Insurance Group | AMB #: 000000

AMB #	Rating Unit Member	AMB #	Rating Unit Member
000000	Sample County Mutual Ins Co	000000	Sample Indemnity Company
000000	Sample Fire and Cas Ins Co	000000	Sample Independent Ins Co
000000	Sample Surety Company	000000	Sample Ins Co of America
000000	Sample Insurance Company	000000	Sample Insurance Co of PA
000000	Sample North American Ins Co	000000	Sample Insurance Company
000000	Sample Northwest Indem Co	000000	Sample P&A & Cas Ins Co
000000	Sample Prop and Cas Ins Co	000000	Sample Insurance Company
000000	Sample Travel Society	000000	Sample P&A & Cas Ins Co
000000	Sample Vehicle & Prop Ins Co	000000	Sample Specialty Ins Co
000000	Sample Home and Auto Ins Co		

**Last Update**  
September 19, 2019

**Identifiers**  
AMB #: 000000  
NAIC #: 00000  
FEIN #: 00-000000

**Contact Information**  
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**Financial Data Presented**  
The financial data in this report reflects the most current data available at the time the report was printed.

**Sample Life Insurance Company Operations**  
**Date Incorporated:** December 22, 1967 | **Date Commenced:** September 30, 1968  
**Domiciled:** New York, United States  
**Licensed:** (Current since 11/17/2014). The company is licensed in the District of Columbia, Puerto Rico and all states. It is also licensed in all Canadian provinces and territories.  
**States Licensed**

**Business Type:** Life, Annuity, and Accident  
**Organization Type:** Stock  
**Marketing Type:** Direct Response  
**Financial Size:** \$ (>\$250 Million to \$500 Million)

**BEST**

## BEST'S CREDIT RATING

AMB #: 000000 - The Sample Corporation

**Rating Rationale**  
**Balance Sheet Strength: Strongest**

- The current risk-adjusted capitalization of the group, as measured by Best's Capital Adequacy Ratio (BCAR), is within the strongest category.
- The group recorded surplus growth over the past five-year period, despite significant dividend payments to the parent company.
- Reserve development has been consistently redundant over the latest five-year period.
- Comprehensive catastrophe reinsurance program that targets less than a 1% likelihood of annual aggregate catastrophic losses from hurricanes and earthquakes, net of reinsurance, exceeds \$2 billion.

**Operating Performance: Strong**

- The group's underwriting and investment results are considerably better than the industry composite on both a five-year and ten-year basis.
- Group was quick to identify and address negative trends in automobile frequency and severity, and it has maintained exceptional performance in the auto lines in relation to peers.
- Returns on revenue and equity significantly outpace composite measures.
- Substantial investment income that augments underwriting profitability.

**Business Profile: Favorable**

- Established position of leadership in the private passenger auto and homeowners insurance markets.
- Extensive geographic diversity, which helps to mitigate impact from weather events, regulatory issues, or competitive pressures.
- Multiple distribution methods, enabling the group to engage current and potential policyholders through captive agents, independent agents or directly.

**Enterprise Risk Management: Very Strong**

- Risk management capabilities are extensive, with established risk appetites and corporate governance framework.
- Group focuses on maintaining strong foundation, building value and optimizing returns.
- Stress testing performed across numerous weather, economic, liquidity and solvency scenarios, to ensure proper risk and return profiles.

**Outlook**

- The outlooks reflect the group's short-risk-adjusted capitalization, consistently profitable operating performance, and sound risk management practices. The outlooks further consider AMB Best's expectations of the continuance of these trends in the near and longer term.

**Rating Drivers**

- Positive rating action could occur if both underwriting and operating performance are sustained at recent levels for a longer term and risk-adjusted capital remains strong.
- Negative rating action could occur if risk-adjusted capitalization declines materially.
- Negative rating action could occur if consolidated financial leverage increases and exceeds stated guidelines for the current rating level.

**Key Financial Indicators**

Best's Capital Adequacy Ratio (BCAR) Score (%)	Confidence Level	BCAR Score
95.0	99.0	95.3
56.7	43.0	37.4
Source: Best's Capital Adequacy Ratio Report - FYC US		35.7

**BEST**

## BEST'S FINANCIAL REPORT

AMB#: 000000 - Sample Life Insurance Company

**Best's Credit Rating History (Continued...)**

Effective Date	Rating	Outlook	Action	Rating	Outlook	Action
Jan 11, 2019	A-	Stable	Degraded	A-	Stable	Degraded
Sep 18, 2018	A+	Stable	Under Review	A+	Stable	Upgrade
May 16, 2018	A	Stable	Affirmed	A	Stable	Under Review
Nov 15, 2017	A	Stable	Affirmed	A	Stable	Affirmed

**Corporate Structure**  
Ultimate Parent: AMB # 000000 - Sample Mutual Holding Company  
Based on AM Best's analysis, AMBF# 000000 - Sample Mutual Holding Company is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current Corporate Structure.

**Management**

**Chairman:** John D. Smith  
**President and CEO:** John H. Smith  
**CFO:** William J. Thompson  
**SVP and Chief Actuary:** Walter M. Thompson (emeritus)  
**SVP:** Bill G. Sullivan (Technology & Compliance)  
**SVP:** James E. Smith (Group Benefits)  
**SVP:** David S. Thompson (Investment)  
**SVP:** Joseph W. Smith (Insurance Development)  
**SVP:** David L. Smith (Actuarial)  
**SVP:** David L. Henderson (Finance)  
**SVP:** Jennifer L. Kunkler (Pharmaceutical)  
**SVP:** Philip D. King (General Agent)  
**SVP:** Roger H. Johnson (Distribution)  
**SVP:** Jonathan B. Newman (Legal)  
**SVP:** Scott N. Rosenblatt (Marketing)  
**SVP:** James J. Nelson (Operations)  
**SVP:** Anthony H. White (Communications)

**Vice President, Secretary and General Counsel:** Robert E. Gordon (Legal & Compliance)  
**Vice President:** Helen Connerley (Personnel)  
**Vice President:** James A. Hansen, Jr. (IT)  
**Vice President:** Heidi R. Hughes (Insurance)  
**Vice President:** B. Curtis Webster (Group Benefits)  
**Vice President:** Kevin L. Bennett (Legal)  
**Vice President:** Ray F. Jensen (Pensions)  
**Vice President:** David R. Lyndon (Risk)  
**Vice President:** Bruce M. Taylor (Construction)  
**Vice President:** Robert S. Hollander (Health Services Contract Carrier)  
**Vice President:** Peter Rosenblatt (Marketing)  
**Vice President:** Carl Olson (System-Writing & IT)  
**Vice President:** Brian R. Black (Human Resources)

**www.ambest.com**

Printed for Jane Smith on September 21, 2019

Credit reports show the details and analysis behind Best's Credit Ratings at the time they are assigned.

- Financial reports provide the latest company information and financial data.

**For more information or a demonstration, please  
contact us at (908) 439-2200, ext. 5311, or [sales@ambest.com](mailto:sales@ambest.com).**