

2 January, 2012 • Issue 1

Europeans Prominent in A.M. Best's Top 25 Rankings

By David Pilla

European insurers and reinsurers are prominent on this year's A.M. Best Co. list of the world's top 25 companies in the industry, particularly in the top 10.

In its ranking of the world's top insurers by 2010 net premiums written, A.M. Best lists France's Axa SA and Italy's Assicurazioni Generali SpA. in first and second place, respectively. Both companies held the same ranking a year earlier.

Axa had US\$107.9 billion in net premiums written in 2010, up 0.2% from the previous year. Generali's net premiums rose 2.87% to \$87.17 billion last year.

Also making the top five was Germany's Allianz SE, at No. 4. Allianz slipped from third place a year earlier.

Munich Re was seventh on the list, and the United Kingdom's Aviva plc placed ninth.

In terms of total non-banking assets, Axa and Allianz came in second and third, behind Japan Post Insurance Co. Ltd.

Axa, Allianz and Generali are all multiple-line insurers with growth strategies in a number of international markets.

World's Largest Insurers

Ranked by Non-Banking Assets	Ranked by Net Premiums Written
1 Japan Post Insurance Co. Ltd.	1 Axa S.A.
2 Axa S.A.	2 Assicurazioni Generali S.p.A.
3 Allianz SE	3 UnitedHealth Group Inc.
4 MetLife Inc.	4 Allianz SE
5 American International Group Inc.	5 Japan Post Insurance Co. Ltd.
6 Aviva plc	6 National Mutual Insurance Federation of Agricultural Co-ops
7 Assicurazioni Generali S.p.A.	7 Munich Reinsurance Co.
8 Prudential Financial Inc.	8 WellPoint Inc.
9 Nippon Life Insurance Co.	9 Aviva plc
10 Legal & General Group plc	10 China Life Insurance (Group) Co.

Source:  BestLink, A.M. Best research, 2010 data

Company capsules and charts detail financials for the largest insurers. [See Pages 4-6.](#)

A Closer Look

Insurers Say London Olympics Coverage Appears on Track

By Robert O'Connor

With much of the expected \$5 billion or so in insurance needed for the London 2012 Summer Olympics already on their books, underwriters appear confident of their ability to cover the games.

"Things are shaping up very well," said Tom Phillipson, head of contingency for Swiss Re Corporate Solutions. "I think the main coverages are now in place."

Phillipson, who believes the total outlay could be \$5 billion to \$6 billion, said the International Olympic Committee and most network television organizations have bought their insurance. He believes about \$1.3 billion in cancellation insur-

ance has been placed. Television rights will account for about \$2.5 billion of total insurance premiums, Phillipson said.

Swiss Re is looking at property and casualty coverage, notably in relation to construction of such infrastructure projects as roads and stadiums, Phillipson said. Hotels will need insurance for business interruption risks, he added. Some of the property/casualty business will go to the Swiss Re Group in the form of reinsurance.

Phillipson added that Swiss Re has a "20-year plus relationship" with the International Olympic Committee.

Swiss Re has been approached by organizations whose

■ [See OLYMPICS, Page 2](#)

Bouncing Back

2 CEA study finds insurers recovered premium levels in 2010.



Cautious View

3 Lloyd's insurer Barbican proceeds with care in volatile market.



Trimming Sails

12 Old Mutual continues pullback with Finland life sale.



7 Ratings

14 Perspectives



CEA: European Insurers Saw Premium Recovery in 2010

European insurers saw aggregate gross premiums rise 2.5% to €1.1 trillion (US\$1.4 trillion) in 2010, as both life and nonlife insurance premiums gained in a difficult economic climate, according to the pan-European trade group CEA.

In its annual statistical study, the CEA said life insurance premiums, which constitute 60% of European gross premiums, rose 2.5% to €676 billion. Nonlife premiums rose 2.7% to €428 billion.

The combined life and nonlife premium gain was slightly weaker than 2009's gain of 3%, but significantly better than the nearly 6% drop in 2008 premiums as the global financial crisis came into full swing, said the CEA's report.



Koller

In the nonlife sector, growth in health cover was particularly strong at 5.9%. "This confirms that health insurance continues to be one of the most dynamic business lines, as insurers continue to help ease the burden of aging populations and rising medical costs faced by state systems," said the CEA.

The two other largest nonlife lines, motor and property insurance, saw premiums rise 1.3% and 2.6%, respectively.

In 2010, an average of 1,879 euros was spent per

capita on insurance in the 32 full member countries represented by the CEA. Of this, €1,150 was spent on life insurance and €729 on nonlife insurance, of which €184 was on health cover.

The CEA's study also showed that the investment portfolios of insurers continued to recover after suffering a sharp decline in 2008. The study said that following a rebound in capital markets that began in 2009 and despite significant volatility in 2010, European insurers' total investment portfolio is expected to reach €7.45 trillion in 2010, up nearly 5% at constant exchange rates.

The study found that investment holdings of life insurers account for over 80% of the total. The top three investors among the European insurance markets are France, the United Kingdom and Germany, accounting for 62% of the total portfolio.

"In these turbulent times, Europe's insurers continue to provide a unique function as both risk absorbers and long-term investors," said Michaela Koller, director general of the CEA, in a statement. "These latest figures show both the importance European consumers place on insuring themselves against risk and also the importance of insurers to Europe's economy."

—David Pilla

■ OLYMPICS

From page 1

activities are more peripheral to the Olympics, Phillipson said. These include merchandisers and caterers. Swiss Re will be interested in "anybody with a financial interest in the Olympics, even down to people selling souvenirs outside the grounds," he said.

The reinsurer has taken a close interest in the preparations for the Olympics. It has sat in on test events and had a look at the site of open water events in London's Hyde Park. It has also visited Weymouth, more than 100 miles southwest of London, where sailing is to be held.

One lesson that came from the Beijing Olympics in 2008, Phillipson said, was to have events as close together as possible. Accordingly, the organizers in London have heeded this advice, building their plans for the capital around three linked clusters, he said.

Elizabeth Seeger, contingency underwriter at Hiscox plc, said \$5 billion would be a "best estimate" of the value of the Olympics coverage. Most of this "would have been in place for several years now, particularly for the major suppliers and organizers," Seeger said.

Major buyers include organizing committees, sponsors, broadcasters and sports federations, Seeger said.

Terrorism will be high on the agenda of organizers.

"Terrorism will always be an issue in London," said Phil-

lipson, who suggested that the long experience of the British authorities in dealing with terrorist threats has bolstered the confidence of insurers. The U.K. government has said it plans to use armed forces personnel to guard London during the games.

Seeger said the recent increase in the security budget for the Olympics has underlined concerns over terrorism.

"The Royal Navy, Army and Royal Air Force between them will provide up to 13,500 personnel," Defense Secretary Philip Hammond said in a statement. "Up to 7,500 of them will support the smooth running of Olympic sites, while the remainder will use specialist capabilities and equipment to contribute to delivery of Olympic security."

Seeger said there have been last-minute inquiries from such smaller interests as conference centers and hotels. Some of the countries that are sending athletes to London are buying covers for exhibitions they plan to hold during the games to promote themselves.

She described the preparations for the Olympics as excellent. "We're so far ahead of many recent events, that I think, London should be proud of what we've done."

Audio:

Listen to the entire interview with Tom Phillipson at www.ambest.com/audio.



Lloyd's Barbican Takes Cautious View of Market

As Lloyd's insurer Barbican Group Holdings Ltd. contemplates the coming year, it hopes to benefit from what Chief Executive Officer David Reeves sees as the "disarray" facing other insurers, notably in the international property markets.

"We think we're well positioned, with a highly diversified book of business to take advantage of any market dislocation," Reeves said.

Barbican, whose Syndicate 1955 was established in 2007, had a capacity in 2011 of £180 million (\$282 million), up from its 2007 level of £75 million. The syndicate is managed by Barbican Managing Agency Ltd., which Barbican got permission to establish in January 2011.



"We are realistically optimistic for 2012," Reeves said.

Barbican, whose most important area of activity is marine, is also involved in casualty, specialty property and U.K. business, Reeves said.

Reeves, who cited his own background in U.K. commercial lines, would like to build Barbican's operations in the United Kingdom. "I'm a believer in that space," he said.

With this goal in mind, Barbican has made three senior appointments, to take effect in January. John Pilkington has been promoted to active underwriter from deputy active underwriter. Austyn Tusler, an expert in fine art and high net worth, moves to Barbican from Hiscox. Stuart Quinlan will run Barbican's specialty division. Quinlan previously was in charge of the European professional indemnity unit at Zurich.

The prospect of a harder market has caused Barbican to look to its capital position, Reeves said. Barbican will go

into 2012 with ample capital and "some headroom as well."

Reeves affirmed Barbican's commitment to Lloyd's, which he said provides 95% of its business. "We like being in that market," he said.

Reminded of the cautious view he took a year ago of the 2011 market, Reeves said, "I wasn't cautious enough as it turned out."

The wave of catastrophes that hit such countries as New Zealand and Japan made it clear that "international property business was underpriced," Reeves said. Premiums need to go up to keep Barbican and other Lloyd's insurers interested in that sector, he said.

As part of its de-risking strategy, Reeves said, Barbican has reduced its property account to half of what it was in March 2011. "We will keep a watching brief on international property and come back in when the time is right," he said.

Higher rates need to apply across a wider area of the market than those lines that were hit by this year's losses, Reeves said. He added that Barbican has narrowed its view of the property market to North America, where, despite the need for some upward movement, "we believe technical prices are still in the right place."

—Robert O'Connor

Audio:

Listen to the entire interview with David Reeves at www.ambest.com/audio.



Beazley Confirms Interest in Hardy Acquisition

Beazley plc said it is interested in exploring a possible offer for rival Lloyd's insurer Hardy Underwriting Bermuda Ltd., following Hardy's earlier indication it would conduct a strategic review following a year of heavy catastrophe-related losses.

"Following the announcement by the board of Hardy on 1 December 2011 that it is to undertake a strategic review of its business, Beazley plc announces that it has confirmed its interest in entering into exploratory discussions with Hardy regarding a possible offer to acquire the entire issued share capital of Hardy," Beazley said in a statement. "This announcement does not represent a firm intention to make an offer and there can be no certainty that an offer by Beazley will be made."

Citing the frequency and size of recent catastrophes,

Hardy's board had said it may consider finding a buyer or strategic partner and had received "several preliminary expressions of interest" in its business (*Best's News Service*, 1 Dec., 2011).

In its Nov. 14 interim management statement, the specialty insurer and reinsurer referred to uncertainty regarding the claims arising from recent flooding in Thailand. Hardy said it has exposure to certain surplus treaties, the losses for which "are rumored to be material."

Combined with a provisional loss estimate for Hardy's other exposures in Thailand, the net loss after reinsurance for the Thailand floods ranges from about £10 million (US\$15.6 million) to £25 million. Hardy said it has sufficient liquidity and capital to absorb the Thailand losses and funds have been lodged at Lloyd's to support the 2012 year of account business plan.

—David Pilla

Top Insurers Ranked by Assets, Net Premiums

Aegon N.V.

Chairman and Chief Executive:
Alex Wynaendts

Aegon is a public company specializing in life insurance, pensions and long-term savings and investment products. It has 28,000 employees serving 40 million clients in 20 countries.

www.aegon.com



Wynaendts

Allianz Societas Europae

Chairman and Chief Executive:
Michael Diekmann

Allianz is a public company specializing in property/casualty and life/health insurance, asset management and banking. It has approximately 151,000 employees serving more than 76 million clients in about 70 countries.

Rating: A.M. Best currently rates the financial strength of most of Allianz's operating companies A+ (Superior).

www.allianz.com



Diekmann

American International Group Inc.

Chairman and Chief Executive:
Robert H. Benmosche

AI is a public company specializing in life and property/casualty insurance and retirement services. It has operations in more than 130 countries and jurisdictions.

Rating: A.M. Best currently rates the financial strength of AI's operating companies A (Excellent).

www.aig.com



Benmosche

Assicurazioni Generali S.p.A.

Chairman: Gabriele Galateri di Genola

Generali is a public company specializing in life and property/casualty insurance, along with medical covers, pension services and asset management. It serves 70 million clients in over 60 countries.

Rating: A.M. Best currently rates the financial strength of Generali's operating companies A- (Excellent).

www.generali.com



di Genola

Aviva plc

Chief Executive: Andrew Moss

Aviva is a public company specializing in long-term savings, fund management and general insurance. It has approximately 36,000 employees serving 44.5 million clients worldwide.

Rating: A.M. Best currently rates the financial strength of Aviva's operating companies A (Excellent).

www.aviva.com



Moss

AXA S.A.

Chairman and Chief Executive: Henri de Castries

AXA is a public company specializing in insurance and asset management. It has 214,000 employees serving 95 million clients in 61 countries.

Rating: A.M. Best currently rates the financial strength of most of AXA's operating companies A+ (Superior).

www.axa.com



de Castries

World's Largest Insurers

Ranked by Non-Banking Assets

AMB Company Name	Country of Domicile	2010	
		Total Non-Banking Assets USD (000)	% Change*
1 Japan Post Insurance Co. Ltd.	Japan	1,089,463,948	-5.26
2 Axa S.A.	France	920,476,513	3.27
3 Allianz SE	Germany	807,486,736	8.23
4 MetLife Inc.	US	730,906,000	35.53
5 American International Group Inc.	US	683,443,000	-19.37
6 Aviva plc	UK	572,208,859	4.45
7 Assicurazioni Generali S.p.A.	Italy	559,858,937	-0.33
8 Prudential Financial Inc.	US	539,854,000	12.42
9 Nippon Life Insurance Co.	Japan	527,095,201	6.20
10 Legal & General Group plc	UK	501,063,918	9.03
11 National Mut Ins Fed of Agricultural Co-ops	Japan	488,175,304	3.30
12 Aegon N.V.	Netherlands	440,401,166	11.27
13 ING Groep N.V.	Netherlands	431,859,607	12.25
14 CNP Assurances	France	423,490,868	5.88
15 Manulife Financial Corp.	Canada	417,770,773	5.07
16 Prudential plc	UK	403,492,963	14.51
17 Zurich Financial Services Ltd.	Switzerland	375,661,000	1.75
18 Berkshire Hathaway Inc.	US	372,229,000	25.28
19 Dai-ichi Life Insurance Co. Ltd.	Japan	346,404,836	5.45
20 Hartford Financial Services Group Inc.	US	318,346,000	3.45
21 Munich Reinsurance Co.	Germany	313,245,257	5.79
22 Predica-Prevoyance Dialogue du Credit	France	300,629,986	6.79
23 Meiji Yasuda Life Insurance Co.	Japan	270,676,742	4.64
24 China Life Insurance (Group) Co.	China	269,422,274	14.24
25 Life Insurance Corporation of India	India	253,156,543	32.35

*Percent change is based upon local currency

Source: BestLink, A.M. Best research

Berkshire Hathaway Inc.

Chairman and Chief Executive: Warren E. Buffett

Berkshire Hathaway is a public company with property/casualty insurance and reinsurance operations.

Rating: A.M. Best currently rates the financial strength of most of Berkshire Hathaway's operating companies A++ (Superior).

www.berkshirehathaway.com



Buffett

China Life Insurance (Group) Co.

President: Yuan Li

China Life is a public company specializing in life and property/casualty insurance and asset management. The company and its subsidiaries constitute the largest commercial insurance group in Mainland China.

www.chinalife.com.cn



Li

CNP Assurances

Chief Executive: Gilles Benoist

CNP Assurances is a public company specializing in personal lines insurance. It has 24 million clients and operations in France, the rest of Europe and South America.

www.cnp.fr



Benoist

World's Largest Insurers

Ranked by Net Premiums Written

AMB Company Name	Country of Domicile	2010 Net Premiums Written USD (000)	% Change*
1 Axa S.A.	France	107,912,553	0.20
2 Assicurazioni Generali S.p.A.	Italy	87,166,306	2.87
3 UnitedHealth Group Inc.**	US	85,405,000	7.68
4 Allianz SE	Germany	84,433,538	6.25
5 Japan Post Insurance Co. Ltd.	Japan	80,985,521	-4.77
6 National Mut Ins Fed of Agricultural Co-ops	Japan	63,643,779	2.08
7 Munich Reinsurance Co.	Germany	57,841,393	9.78
8 WellPoint Inc.	US	54,109,700	-2.51
9 Aviva plc	UK	53,237,258	7.15
10 China Life Insurance (Group) Co.	China	52,873,923	15.48
11 Nippon Life Insurance Co.	Japan	52,182,307	-4.40
12 State Farm Group***	US	55,296,111	2.32
13 American International Group Inc.	US	46,227,000	-5.34
14 Kaiser Foundation Group of Health Plans****	US	45,025,113	-5.59
15 Zurich Financial Services Ltd.	Switzerland	44,282,000	-7.69
16 CNP Assurances	France	41,655,504	-0.46
17 Life Insurance Corporation of India	India	41,326,070	18.32
18 Dai-ichi Life Insurance Co. Ltd.	Japan	39,968,955	12.47
19 Prudential plc	UK	37,456,838	21.20
20 Meiji Yasuda Life Insurance Co.	Japan	35,630,231	21.97
21 ING Groep N.V.	Netherlands	34,247,077	-9.50
22 Sumitomo Life Insurance Co.	Japan	33,369,596	20.30
23 Humana Inc.**	US	32,712,323	9.31
24 Berkshire Hathaway Inc.	US	30,916,000	10.88
25 Tokio Marine Holdings Inc.	Japan	29,755,691	-4.26

* Percent change is based upon local currency
 ** Premiums shown are earned premiums
 *** Premiums shown are for U.S. companies only
 **** A. M. Best consolidation
 Source: BestLink, A.M. Best research

ING Groep N.V.

Chief Executive: Jan Hommen

ING is a public company specializing in life and non-life insurance and asset management. It has approximately 107,000 employees and operates in Asia, Europe, Latin America and the United States.

Rating: A.M. Best currently rates the financial strength of two ING operating companies A (Excellent).

www.ing.com



Hommen

Japan Post Insurance Co. Ltd.

Chairman: Josuke Shindo

Japan Post Insurance is a government-owned company specializing in life insurance, which it sells through its postal parent's post office locations in all of Japan's cities, towns and villages. The company has approximately 6,800 employees.

www.jp-life.japanpost.jp

Kaiser Foundation Group of Health Plans

Chairman and Chief Executive: George C. Halvorson.

Kaiser is a not-for-profit company specializing in health insurance and health care. It operates in the United States in California, Colorado, Georgia, Hawaii, Maryland, Ohio, Oregon, Virginia, Washington and Washington D.C.

www.kp.org

Legal & General Group plc

Chief Executive: Tim Breedon

Legal & General is a public company specializing in life and general insurance, pensions and investments. It serves over 7 million clients in the United Kingdom, United States and Europe.



Breedon

Rating: A.M. Best currently rates the financial strength of an operating company of Legal & General A+ (Superior).

www.legalandgeneralgroup.com

Life Insurance Corporation of India

Chairman: D.K. Mehrotra

Life Insurance Corporation of India is a government-owned company specializing in individual life insurance, group insurance and pension plans. It is the largest life insurer in India and has operations in Asia, the Middle East and Europe.

www.licindia.com

Manulife Financial Corp.

Chief Executive: Donald A. Guloien

Manulife is a public company specializing in life and health insurance, long-term care services, pension products, annuities, mutual funds and banking products. It has more than 20,000 employees and operates in 21 countries and territories worldwide.

Rating: A.M. Best currently rates the financial strength of Manulife's operating companies A+ (Superior).

www.manulife.com



Guloien

Dai-ichi Life Insurance Co. Ltd.

President: Koichiro Watanabe

Dai-ichi Life is a public company specializing in life insurance. It has approximately 57,000 employees and operations in Asia, Europe and North America.

www.dai-ichi-life.co.jp



Watanabe

Hartford Financial Services Group Inc.

Chairman and Chief Executive: Liam E. McGee

Hartford is a public company specializing in life, automobile, homeowners and business insurance, group and employee benefits, investment products, annuities, mutual funds and college savings plans.

Rating: A.M. Best currently rates the financial strength of Hartford's operating companies A (Excellent).

www.thehartford.com



McGee

Humana Inc.

Chairman and Chief Executive: Michael B. McCallister
 Humana is a public company specializing in health, dental, vision and life insurance in the United States.

Rating: A.M. Best currently rates the financial strength of most of Humana's operating companies A- (Excellent).

www.humana.com



McCallister

■ See **LARGEST INSURERS**, Page 6

■ LARGEST INSURERS

From page 5

Meiji Yasuda Life Insurance Co.

Chairman: Ken-Ichi Sekiguchi
Meiji Yasuda is a mutual company specializing in life insurance and asset management. It has operations in Japan, Asia, the United States and Europe.

Rating: A.M. Best currently rates the financial strength of Meiji Yasuda's operating companies A (Excellent).
www.meijiyasuda.co.jp



Sekiguchi

MetLife Inc.

President and Chief Executive: Steven A. Kandarian
MetLife is a public company specializing in life, nonmedical health and property/casualty insurance, annuities and employee benefit programs. It serves 90 million customers in over 50 countries.

Rating: A.M. Best currently rates the financial strength of most of MetLife's operating companies A+ (Superior).
www.metlife.com



Kandarian

Munich Reinsurance Co.

Chairman: Nikolaus von Bomhard
Munich Re is a public company specializing in reinsurance, primary insurance and asset management. It has approximately 47,000 employees and operates in more than 30 countries.

Rating: A.M. Best currently rates the financial strength of Munich Re's operating companies A+ (Superior).
www.munichre.com



von Bomhard

National Mutual Insurance Federation of Agricultural Cooperatives

President: Kazumi Imao
The National Mutual Insurance Federation of Agricultural Cooperatives, commonly known as "JA Kyosai," is Japan's national mutual aid association of agricultural cooperatives. The company provides property, liability and life insurance.

www.ja-kyosai.or.jp

Nippon Life Insurance Co.

Chairman: Kunie Okamoto
Nippon Life is a mutual company specializing in life insurance. It has operations in Japan, the United States and Asia.

Rating: A.M. Best currently rates the financial strength of Nippon Life's operating companies A+ (Superior).
www.nissay.co.jp



Okamoto

Predica-Prevoyance Dialogue du Credit

Chairman: Guy Chateau
Predica specializes in life insurance and is a leading life bancassurer in France. It has approximately 750 employees and 14.3 million policies. Its parent company, Credit Agricole Assurances, has operations in 19 countries.

www.predica.fr



Chateau

Prudential Financial Inc.

Chairman and Chief Executive: John R. Strangfeld
Prudential is a public company specializing in life insurance, annuities, retirement-related services and investment management. It has approximately 41,000 employees in 38 countries and territories.

Rating: A.M. Best currently rates the financial strength of Prudential's operating companies A+ (Superior).
www.prudential.com



Strangfeld

Prudential plc

Chief Executive: Tidjane Thiam
Prudential is a public company specializing in life insurance and asset management. It has 25 million customers in Asia, the United Kingdom and the United States.

Rating: A.M. Best currently rates the financial strength of Prudential's Jackson National subsidiaries A+ (Superior).
www.prudential.co.uk



Thiam

State Farm Group

Chairman and Chief Executive: Edward B. Rust Jr.
State Farm is a mutual company specializing in automobile, property and life insurance. It has approximately 66,000 employees and 80 million policies and accounts throughout the United States and Canada.

Rating: A.M. Best currently rates the financial strength of most of State Farm's operating companies A++ (Superior).
www.statefarm.com



Rust

Sumitomo Life Insurance Co.

Chief Executive: Yoshio Sato
Sumitomo Life specializes in life insurance, annuities and asset management. It has approximately 45,000 employees and operates in Asia.

www.sumitomolife.co.jp



Sato

Tokio Marine Holdings Inc.

President: Shuzo Sumi
Tokio Marine Holdings is a public company specializing in life and nonlife insurance. It has operations in Asia, Europe and North America.

Rating: A.M. Best currently rates the financial strength of most of Tokio Marine's operating companies A++ (Superior).
www.tokiomarinehd.com



Sumi

UnitedHealth Group Inc.

Chief Executive: Stephen J. Hemsley
UnitedHealth is a public company specializing in health insurance and health care services. It serves more than 75 million individuals, employs approximately 87,000 people and operates in all 50 states and about 18 countries worldwide.

Rating: A.M. Best currently rates the financial strength of United Health's operating companies A (Excellent).
www.unitedhealthgroup.com



Hemsley

WellPoint Inc.

Chair and Chief Executive: Angela F. Braly
WellPoint is a public company specializing in health insurance. It has 37,500 employees serving 34 million members in the United States.

Rating: A.M. Best currently rates the financial strength of most of WellPoint's operating companies A (Excellent).
www.wellpoint.com



Braly

Zurich Financial Services Ltd.

Chairman: Manfred Gentz
Zurich is a public company specializing in general and life insurance. It has over 60,000 employees serving customers in more than 170 countries.

Rating: A.M. Best currently rates the financial strength of most of Zurich's operating companies A+ (Superior).
www.zurich.com



Gentz

Rating Actions

This edition lists all rating actions that occurred between 14 Dec. and 27 Dec., 2011.

All rating actions that have occurred during the past 21 days are available online free to *BestWeek* subscribers at www.bestweek.com.

For the rating of any company rated by A.M. Best Co. and basic company information free of charge, visit the A.M. Best website at www.ambest.com/ratings/access.html.

Operating Companies

Rating Action	Business Type	Company Name	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
U.S., CANADA AND BERMUDA LIFE AND HEALTH								
-	L	Alfa Life Insurance Corporation	006293	A a+	Stable Stable	A+ aa-	Negative Negative	Alabama
U	L	Allianz Life and Annuity Company	068026	A u a u	Negative Negative	A a	Stable Stable	Minnesota
U	L	Allianz Life Insurance Co of NA	006830	A u a+ u	Negative Negative	A a+	Stable Stable	Minnesota
U	L	Allianz Life Insurance Co of New York	009417	A u a+ u	Negative Negative	A a+	Stable Stable	New York
U	L	Aviva Life and Annuity Company	006199	A u a+ u	Negative Negative	A a+	Positive Positive	Iowa
U	L	Aviva Life and Annuity Company of NY	006467	A u a+ u	Negative Negative	A a+	Positive Positive	New York
U	L	AXA Corporate Solutions Life Reinsurance	009083	B++ u bbb u	Negative Negative	B++ bbb	Stable Stable	Delaware
U	L	AXA Equitable Life and Annuity Company	009516	A u a+ u	Negative Negative	A a+	Stable Stable	Colorado
U	L	AXA Equitable Life Insurance Company	006341	A+ u aa- u	Negative Negative	A+ aa-	Stable Stable	New York
Δ	L	Companion Life Insurance Company	006258	A+ aa-	Negative Negative	A+ aa-	Stable Stable	New York
U	L	First Reliance Standard Life Ins Co	009418	A u a u	Positive Positive	A a	Stable Stable	New York
-	L	Generali USA Life Reassurance Company	009189	A- a-	Stable Stable	A u a u	Negative Negative	Missouri
-	L	ING Life Insurance and Annuity Company	006895	A u a u	Negative Negative	A a+	Stable Negative	Connecticut
-	L	ING USA Annuity and Life Insurance Co	008388	A u a u	Negative Negative	A a+	Stable Negative	Iowa
U	L	MONY Life Insurance Company	006751	A+ u aa- u	Negative Negative	A+ aa-	Stable Stable	New York
U	L	MONY Life Insurance Company of America	008091	A+ u aa- u	Negative Negative	A+ aa-	Stable Stable	Arizona
Δ	H	Mutual of Omaha Insurance Company	007369	A+ aa-	Negative Negative	A+ aa-	Stable Stable	Nebraska
Δ	L	National Security Insurance Company	006802	B bb+	Stable Stable	B bb+	Positive Positive	Alabama
+	L	Reassure America Life Insurance Company	007207	A+ aa-	Stable Stable	A a+	Positive Positive	Indiana
U	L	Reliance Standard Life Insurance Company	006990	A u a u	Positive Positive	A a	Stable Stable	Illinois
-	L	ReliaStar Life Insurance Co of NY	006157	A u a u	Negative Negative	A a+	Stable Negative	New York
-	L	ReliaStar Life Insurance Company	006846	A u a u	Negative Negative	A a+	Stable Negative	Minnesota
-	L	Security Life of Denver Insurance Co	007029	A u a u	Negative Negative	A a+	Stable Negative	Colorado
+	L	Swiss Re Life & Health America Inc	007283	A+ aa-	Stable Stable	A a+	Positive Positive	Connecticut
Δ	L	United of Omaha Life Insurance Company	007164	A+ aa-	Negative Negative	A+ aa-	Stable Stable	Nebraska
Δ	L	United World Life Insurance Company	007528	A+ aa-	Negative Negative	A+ aa-	Stable Stable	Nebraska
U	L	US Financial Life Insurance Company	008492	A u a+ u	Negative Negative	A a+	Stable Stable	Ohio
U	H	Valley Baptist Insurance Company	064852	B u bb u	Positive Positive	B bb	Negative Negative	Texas

Rating Action: (+) Upgrade; (-) Downgrade; (New) Initial Rating; (u) Under Review; (Δ) Change in Outlook; (w) Rating Withdrawal; (●) Rating Affirmation.
Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

Rating Action	Business Type	Company Name	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
U.S., CANADA AND BERMUDA PROPERTY/CASUALTY								
-	P	AGCS Marine Insurance Company	002268	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Illinois
-	P	Alfa Alliance Insurance Corporation	000954	A a+	Stable Negative	A+ aa-	Negative Negative	Virginia
-	P	Alfa General Insurance Corporation	001724	A a+	Stable Negative	A+ aa-	Negative Negative	Alabama
-	P	Alfa Insurance Corporation	002227	A a+	Stable Negative	A+ aa-	Negative Negative	Alabama
-	P	Alfa Insurance Group	000106	A a+	Stable Negative	A+ aa-	Negative Negative	Alabama
-	P	Alfa Mutual Fire Insurance Company	002006	A a+	Stable Negative	A+ aa-	Negative Negative	Alabama
-	P	Alfa Mutual General Insurance Company	003314	A a+	Stable Negative	A+ aa-	Negative Negative	Alabama
-	P	Alfa Mutual Insurance Company	002005	A a+	Stable Negative	A+ aa-	Negative Negative	Alabama
-	P	Alfa Specialty Insurance Corporation	012333	A a+	Stable Negative	A+ aa-	Negative Negative	Virginia
-	P	Alfa Vision Insurance Corp	010042	A a+	Stable Negative	A+ aa-	Negative Negative	Virginia
-	P	Allianz Global Corp & Spec North America	003887	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	California
-	P	Allianz Global Risks US Insurance Co	000407	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	California
-	P	Allianz Underwriters Insurance Company	002618	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	California
U	P	American Automobile Insurance Company	002176	A u a+ u	Negative Negative	A a+	Stable Stable	Missouri
NEW	P	American Capital Partners Re, Ltd.	091620	A- a-	Stable Stable			Bermuda
-	P	American Commerce Insurance Company	002065	A u a+ u	Negative Negative	A+ aa-	Negative Negative	Ohio
U	P	American Insurance Company	002177	A u a+ u	Negative Negative	A a+	Stable Stable	Ohio
W	P	American Millers Insurance Company	000131	NR NR		B++ bbb+	Stable Stable	Pennsylvania
U	P	American Standard Lloyds Insurance Co	003586	A u a+ u	Negative Negative	A a+	Stable Stable	Texas
U	P	Associated Indemnity Corporation	002178	A u a+ u	Negative Negative	A a+	Stable Stable	California
-	P	Austin Mutual Insurance Company	000182	B++ bbb	Negative Negative	A- a-	Negative Negative	Minnesota
U	P	Aviva Insurance Company of Canada	085748	A u a+ u	Negative Negative	A a+	Positive Positive	Ontario
U	P	AXA Art Insurance Corporation	010599	A u a+ u	Negative Negative	A a+	Stable Stable	New York
U	P	AXA Insurance Company	003718	A u a u	Negative Negative	A a	Stable Stable	New York
Δ	P	Chautauqua Patrons Insurance Company	010564	A- a-	Negative Negative	A- a-	Stable Stable	New York
U	P	Chicago Insurance Company	002266	A u a+ u	Negative Negative	A a+	Stable Stable	Illinois
-	P	Cincinnati Casualty Company	004289	A+ aa-	Stable Stable	A+ aa	Stable Stable	Ohio
-	P	Cincinnati Indemnity Company	010650	A+ aa-	Stable Stable	A+ aa	Stable Stable	Ohio
-	P	Cincinnati Insurance Companies	004294	A+ aa-	Stable Stable	A+ aa	Stable Stable	Ohio
-	P	Cincinnati Insurance Company	000258	A+ aa-	Stable Stable	A+ aa	Stable Stable	Ohio
-	P	Citation Insurance Company (MA)	002851	A u a+ u	Negative Negative	A+ aa-	Negative Negative	Massachusetts
W	P	Clarendon America Insurance Company*	001845	NR NR		B+ bbb-	Negative Negative	New Jersey
W	P	Clarendon Insurance Group	003041	NR NR		B+ bbb-	Negative Negative	New York

*Rating was downgraded to B+ / bbb- from A- u / a- u on December 27, 2011. Rating was withdrawn on December 27, 2011.

Rating Action: (+) Upgrade; (-) Downgrade; (**New**) Initial Rating; (**u**) Under Review; (**Δ**) Change in Outlook; (**w**) Rating Withdrawal; (**●**) Rating Affirmation.
Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** **P** = Property/Casualty (Non-Life); **L** = Life; **H** = Health; **T** = Title; **C** = Composite.

Rating Action	Business Type	Company Name	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
U.S., CANADA AND BERMUDA PROPERTY/CASUALTY (CONTINUED)								
W	P	Clarendon National Insurance Company*	001975	NR NR		B+ bbb-	Negative Negative	New Jersey
W	P	Clarendon Select Insurance Company*	010827	NR NR		B+ bbb-	Negative Negative	Florida
U	P	Coliseum Reinsurance Company	003811	B++ u bbb u	Negative Negative	B++ bbb	Stable Stable	Delaware
-	P	Commerce Insurance Company	004663	A u a+ u	Negative Negative	A+ aa-	Negative Negative	Massachusetts
U	P	Commerce Protective Insurance Company	011106	B u bb u	Developing Developing	B bb	Negative Negative	Pennsylvania
-	P	Commerce West Insurance Company	003131	A u a+ u	Negative Negative	A+ aa-	Negative Negative	California
U	P	Elite Insurance Company	085742	A u a+ u	Negative Negative	A a+	Positive Positive	Ontario
+	P	Esurance Insurance Company	002526	A+ aa-	Stable Stable	A- u a- u	Positive Positive	Wisconsin
●	P	Esurance Insurance Company of New Jersey	000466	A- a-	Stable Stable	A- u a- u	Positive Positive	Wisconsin
W	P	Esurance Insurance Group	018718	NR NR		A- u a- u	Positive Positive	Wisconsin
+	P	Esurance Property and Casualty Ins Co	000273	A+ aa-	Stable Stable	A- u a- u	Positive Positive	California
U	P	Euler Hermes American Credit Indem Co	002097	A+ u aa- u	Negative Negative	A+ aa-	Stable Stable	Maryland
●	P	Fidelity National Group	018606	A- a-	Stable Stable	A- u a- u	Negative Negative	Florida
●	P	Fidelity National Insurance Company	012478	A- a-	Stable Stable	A- u a- u	Negative Negative	California
●	P	Fidelity National Prop & Cas Ins Co	004496	A- a-	Stable Stable	A- u a- u	Negative Negative	New York
U	P	Fireman's Fund County Mutual Ins Co	003682	A u a+ u	Negative Negative	A a+	Stable Stable	Texas
U	P	Fireman's Fund Indemnity Corporation	001892	A u a+ u	Negative Negative	A a+	Stable Stable	New Jersey
U	P	Fireman's Fund Insurance Co of HI Inc	002717	A u a+ u	Negative Negative	A a+	Stable Stable	Hawaii
U	P	Fireman's Fund Insurance Companies	000034	A u a+ u	Negative Negative	A a+	Stable Stable	California
U	P	Fireman's Fund Insurance Company	002179	A u a+ u	Negative Negative	A a+	Stable Stable	California
U	P	Fireman's Fund Insurance Company of LA	002824	A u a+ u	Negative Negative	A a+	Stable Stable	Louisiana
U	P	Fireman's Fund Insurance Company of Ohio	002843	A u a+ u	Negative Negative	A a+	Stable Stable	Ohio
+	P	First Specialty Insurance Corporation	010783	A+ aa-	Stable Stable	A a+	Positive Positive	Missouri
-	P	Germania Farm Mutual Insurance Assn	003687	A- a-	Stable Stable	A a	Negative Negative	Texas
-	P	Germania Fire & Casualty Company	002779	A- a-	Stable Stable	A a	Negative Negative	Texas
-	P	Germania Insurance Company	003840	A- a-	Stable Stable	A a	Negative Negative	Texas
-	P	Germania Mutual Group	003876	A- a-	Stable Stable	A a	Negative Negative	Texas
-	P	Germania Select Insurance Company	012564	A- a-	Stable Stable	A a	Negative Negative	Texas
W	P	Harbor Specialty Insurance Company*	011783	NR NR		B+ bbb-	Negative Negative	New Jersey
U	P	Interstate Fire & Casualty Company	002267	A u a+ u	Negative Negative	A a+	Stable Stable	Illinois
-	P	MAPFRE Insurance Company of Florida	010805	A u a+ u	Negative Negative	A+ aa-	Negative Negative	Florida
U	P	MAPFRE Pan American Insurance Company	004290	A u a+ u	Negative Negative	A a+	Stable Stable	Puerto Rico
U	P	MAPFRE PRAICO Group	003866	A u a+ u	Negative Negative	A a+	Stable Stable	Puerto Rico

*Rating was downgraded to B+ / bbb- from A- u / a- u on December 27, 2011. Rating was withdrawn on December 27, 2011.

Rating Action: (+) Upgrade; (-) Downgrade; (New) Initial Rating; (u) Under Review; (Δ) Change in Outlook; (w) Rating Withdrawal; (●) Rating Affirmation.
Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

Rating Action	Business Type	Company Name	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
U.S., CANADA AND BERMUDA PROPERTY/CASUALTY (CONTINUED)								
U	P	MAPFRE PRAICO Insurance Company	011116	A u a+ u	Negative Negative	A a+	Stable Stable	Puerto Rico
U	P	MAPFRE Preferred Risk Insurance Company	003649	A u a+ u	Negative Negative	A a+	Stable Stable	Puerto Rico
-	P	MAPFRE U.S.A. Group	002966	A u a+ u	Negative Negative	A+ aa-	Negative Negative	Massachusetts
Δ	P	Michigan Commercial Insurance Mutual	055021	B++ bbb	Negative Negative	B++ bbb	Stable Stable	Michigan
-	P	National Insurance Company	003106	F rs		E rs		Puerto Rico
U	P	National Surety Corporation	002182	A u a+ u	Negative Negative	A a+	Stable Stable	Illinois
NEW	P	Nations Insurance Company	013874	B bb+	Stable Stable	NR NR		California
+	P	North American Capacity Insurance Co	011135	A+ aa-	Stable Stable	A a+	Positive Positive	New Hampshire
+	P	North American Elite Insurance Company	010617	A+ aa-	Stable Stable	A a+	Positive Positive	New Hampshire
+	P	North American Specialty Insurance Co	001866	A+ aa-	Stable Stable	A a+	Positive Positive	New Hampshire
W	P	PEMCO Insurance Companies	000790	NR NR		A- a-	Stable Stable	Washington
W	P	PEMCO Insurance Company	003505	NR NR		A- a-	Stable Stable	Washington
+	P	Penn Millers Insurance Company	000762	A a+	Positive Positive	A- u a- u	Positive Positive	Pennsylvania
+	P	Penn Millers Insurance Group	000449	A a+	Positive Positive	A- u a- u	Positive Positive	Pennsylvania
U	P	Pilot Insurance Company	085779	A u a+ u	Negative Negative	A a+	Positive Positive	Ontario
W	P	Roche Surety and Casualty Inc	010707	NR NR		B++ bbb+	Stable Stable	Florida
U	P	S&Y Insurance Company	066504	A u a+ u	Negative Negative	A a+	Positive Positive	Ontario
U	P	Safety First Insurance Company	012476	A u a u	Positive Positive	A a	Stable Stable	Illinois
U	P	Safety National Casualty Corporation	000818	A u a u	Positive Positive	A a	Stable Stable	Missouri
U	P	Safety National Group	018564	A u a u	Positive Positive	A a	Stable Stable	Missouri
U	P	Scottish & York Insurance Company Ltd	085788	A u a+ u	Negative Negative	A a+	Positive Positive	Ontario
-	P	State-Wide Insurance Company	000869	A u a+ u	Negative Negative	A+ aa-	Negative Negative	New York
+	P	Swiss Reinsurance America Corporation	003263	A+ aa-	Stable Stable	A a+	Positive Positive	New York
U	P	Toa Reinsurance Company of America	001730	A+ u aa- u	Negative Negative	A+ aa-	Stable Stable	Delaware
U	P	Traders General Insurance Company	085795	A u a+ u	Negative Negative	A a+	Positive Positive	Ontario
+	P	Washington International Insurance Co	002695	A+ aa-	Stable Stable	A a+	Positive Positive	New Hampshire
NEW	P	West Virginia Mutual Insurance Company	013014	A- a-	Stable Stable	NR NR		West Virginia
+	P	Westport Insurance Corporation	000347	A+ aa-	Stable Stable	A a+	Positive Positive	Missouri
EUROPE, MIDDLE EAST AND AFRICA								
-	L	AachenMuenchener Lebensversicherung AG	085761	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
-	P	AachenMuenchener Versicherung AG	085302	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
-	P	Allianz Global Corporate & Specialty AG	087997	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Germany
-	P	Allianz Global Corporate & Specialty FR	086992	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	France
-	P	Allianz IARD	085174	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	France
-	C	Allianz Insurance plc	086373	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	United Kingdom

Rating Action: (+) Upgrade; (-) Downgrade; (**NEW**) Initial Rating; (**u**) Under Review; (**Δ**) Change in Outlook; (**w**) Rating Withdrawal; (**●**) Rating Affirmation.
Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

Rating Action	Business Type	Company Name	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
EUROPE, MIDDLE EAST AND AFRICA (CONTINUED)								
-	L	Allianz Lebensversicherungs-Aktiengesell	085015	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Germany
-	L	Allianz Private Krankenversicherungs-AG	085942	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Germany
-	P	Allianz Risk Transfer AG	077703	A u a u	Negative Negative	A a+	Stable Stable	Switzerland
-	C	Allianz S.p.A.	085309	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Italy
-	C	Allianz SE	085449	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Germany
-	P	Allianz Versicherungs-Aktiengesellschaft	085473	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Germany
-	C	Allianz Vie	085109	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	France
-	C	Assicurazioni Generali S.p.A.	085071	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Italy
U	L	Aviva Annuity UK Limited	087492	A u a+ u	Negative Negative	A a+	Positive Positive	United Kingdom
U	P	Aviva Assurances	085256	A u a+ u	Negative Negative	A a+	Positive Positive	France
U	L	Aviva Epargne Retraite	089965	A u a+ u	Negative Negative	A a+	Positive Positive	France
NEW	C	Aviva Insurance Limited	078773	A u a+ u	Negative Negative	NR NR		United Kingdom
W	P	Aviva Insurance UK Limited	085250	NR NR		A a+	Positive Positive	United Kingdom
U	P	Aviva International Insurance Limited	085047	A u a+ u	Negative Negative	A a+	Positive Positive	United Kingdom
U	L	Aviva Life & Pensions UK Limited	086137	A u a+ u	Negative Negative	A a+	Positive Positive	United Kingdom
U	C	Aviva Vida y Pensiones SA de Seg y Reas	083198	A u a+ u	Negative Negative	A a+	Positive Positive	Spain
U	C	Aviva Vie	085552	A u a+ u	Negative Negative	A a+	Positive Positive	France
U	C	Caisse Centrale de Reassurance	085834	A++ u aa+ u	Negative Negative	A++ aa+	Stable Stable	France
-	L	Central Krankenversicherung AG	085303	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
-	L	COSMOS Lebensversicherungs-AG	085304	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
-	P	COSMOS Versicherung AG	085382	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
W	C	Delta Lloyd NV	087830	NR NR		A a+	Stable Stable	Netherlands
-	P	Euler Hermes Kreditvers	086531	A+ u aa- u	Negative Negative	A+ aa	Stable Stable	Germany
U	P	Eurofil	083038	A u a+ u	Negative Negative	A a+	Positive Positive	France
+	C	European Reinsurance Company of Zurich	085830	A+ aa-	Stable Stable	A a+	Positive Positive	Switzerland
-	C	Generali Deutschland Holding AG	084112	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
-	P	Generali Iard	084095	A u a u	Negative Negative	A+ u aa- u	Negative Negative	France
-	L	Generali Lebensversicherung AG	085074	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
-	P	Generali Versicherung AG	085076	A u a u	Negative Negative	A+ u aa- u	Negative Negative	Germany
-	C	Generali Vie	085695	A u a u	Negative Negative	A+ u aa- u	Negative Negative	France
-	C	MAPFRE RE, Compania de Reasegueros, S.A.	086277	A u a+ u	Negative Negative	A+ aa-	Negative Negative	Spain
+	P	OJSC Transsiberian Reinsurance Corp	078395	B bb+	Stable Stable	B bb	Stable Stable	Russia
+	C	Swiss Re Europe S.A.	086847	A+ aa-	Stable Stable	A a+	Positive Positive	Luxembourg
+	P	Swiss Re International SE	087600	A+ aa-	Stable Stable	A a+	Positive Positive	Luxembourg

Rating Action: (+) Upgrade; (-) Downgrade; (**NEW**) Initial Rating; (**u**) Under Review; (**Δ**) Change in Outlook; (**w**) Rating Withdrawal; (**●**) Rating Affirmation.
Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

Rating Action	Business Type	Company Name	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
EUROPE, MIDDLE EAST AND AFRICA (CONTINUED)								
+	C	Swiss Reinsurance Company Limited	085009	A+ aa-	Stable Stable	A a+	Positive Positive	Switzerland
ASIA PACIFIC								
U	P	Labuan Reinsurance (L) Ltd	086913	A- u a- u	Negative Negative	A- a-	Stable Stable	Malaysia
U	C	The Toa Reinsurance Company, Limited	085179	A+ u aa- u	Negative Negative	A+ aa-	Stable Stable	Japan

Holding Companies

Rating Action	Company Name	AMB#	Current		Previous		Domicile
			FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
-	Allianz France S.A.	051226	a- u	Negative	a	Stable	France
-	Allianz of America Inc	050631	a- u	Negative	a	Stable	Delaware
NEW	AVIVA Italia Holding S.p.A.	083218	bbb+ u	Negative	NR		Italy
U	AVIVA plc	085909	a- u	Negative	a-	Positive	United Kingdom
W	Aviva USA Corporation	058145	NR		bbb+	Positive	Iowa
U	AXA Financial Inc	058039	a- u	Negative	a-	Stable	Delaware
-	Cincinnati Financial Corporation	058704	a-	Stable	a	Stable	Ohio
U	Delphi Financial Group Inc	058036	bbb u	Positive	bbb	Stable	Delaware
-	Generali France S.A.	083077	bbb u	Negative	a- u	Negative	France
-	MAPFRE U.S.A. Corp.	058350	bbb+ u	Negative	a-	Negative	Massachusetts
W	Penn Millers Holding Corporation	058171	NR		bbb+	Positive	Pennsylvania
Δ	Swiss Re America Holding Corporation	050445	a-	Stable	a-	Positive	Delaware
Δ	Swiss Re Solutions Holding Corp	058158	a-	Stable	a-	Positive	Kansas
W	United America Indemnity, Ltd.	059187	NR		bbb	Stable	Cayman Islands

Rating Action: (+) Upgrade; (-) Downgrade; (**New**) Initial Rating; (u) Under Review; (Δ) Change in Outlook; (w) Rating Withdrawal; ● Rating Affirmation.
Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Non-Life); L = Life; H = Health; T = Title; C = Composite.

Old Mutual to Sell Finland Life Insurance Business

Old Mutual plc said it will sell its Skandia Life Finland business to Op-Pohjola osk, a Finnish financial services group, as Old Mutual continues to streamline its international business structure.

Both companies declined to specify terms of the transaction.

Op-Pohjola said it expects the deal to close around the end of June 2012, pending regulatory clearances.

According to Op-Pohjola, the acquisition will involve the transfer of about 100,000 customers' unit-linked life and pension policies with total assets of around €1.3 billion (US\$1.7 billion) as of Sept. 30 2011.

"The acquisition will require no action on Skandia Life customers' part," said Op-Pohjola. "Following the acquisition, Skandia Life customers will benefit from Op-Pohjola's extensive service network and have the opportunity to use a wide range of financial services and a diverse package of benefits from using Op-Pohjola as their main bank and insurer."

"We were very interested when we became aware

that Skandia was intending to exit the Finnish market, as we saw this as an opportunity to expand our service proposition to Finnish customers," said Jarmo Kuisma, managing director of OP Life Assurance Company Ltd., in a statement. "The acquiree's focus on the asset management business is in line with our group's strategy. Moreover, this deal will bring us a number of new customers."

Old Mutual said the transaction is part of its "commitment to streamlining its business."

Skandia Life Finland is a branch of London-based Skandia Life Assurance Co. Ltd. In mid-December, Old Mutual announced it would sell the Nordic insurance operations of Skandia Life to Skandia Liv for 22.5 billion Swedish kronor (US\$3.28 billion).

Old Mutual said it anticipates holding an extraordinary shareholders meeting to vote on the proposed sale of Skandia AB in the first quarter of 2012. It anticipates closing the transaction toward the end of that quarter (*Best's News Service, Dec. 15, 2011*).

—David Pilla

RATING ACTIONS OVERVIEW**Rating Definitions**

A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations.

A Best's Issuer Credit Rating is an independent opinion of an issuer/entity's ability to meet its ongoing senior financial obligations.

Rating Disclosures

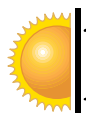
The Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance policy and contract obligations. The rating is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. The rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

The Issuer Credit Rating opinion addresses the relative credit risk of an issuer/entity. Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. This rating does not address any other risk, including, but not limited to, liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

In arriving at a rating decision, A.M. Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, A.M. Best does not independently verify the accuracy or reliability of the information. For additional details, see A.M. Best's *Terms of Use* at www.ambest.com.

Best's Financial Strength Ratings and Issuer Credit Ratings are distributed via press release and/or the A.M. Best Web site at www.ambest.com and are published in the *Rating Actions* section of *BestWeek*®. These ratings are proprietary and may not be reproduced without permission. Copyright © 2011 by A.M. Best Company, Inc. **Version 071111**

For more information about A.M. Best Ratings visit
www.ambest.com/ratings/about.asp



BESTDAY®

Insurance Jobs Connection

The BestDay News Insurance Jobs Connection is where employers and job seekers the world over meet to build careers and find talented people. Insurance companies can now recruit top talent and meet their staffing needs in one convenient location. And job seekers can post their resumes anonymously as well.



<http://jobs.bestdaynews.com>

Published by A.M. Best Company

BESTWEEK EUROPE

CHAIRMAN & PRESIDENT **Arthur Snyder III**

EXECUTIVE VICE PRESIDENT **Larry G. Mayewski**

EXECUTIVE VICE PRESIDENT **Paul C. Tinnirello**

SENIOR VICE PRESIDENTS **Manfred Nowacki, Matthew Mosher, Rita L. Tedesco**

A.M. BEST COMPANY

WORLD HEADQUARTERS

Ambest Road, Oldwick, N.J. 08858

Phone: +1 (908) 439-2200

NEWS BUREAU

830 National Press Building

529 14th Street N.W., Washington, D.C. 20045

Phone: +1 (202) 347-3090

A.M. BEST EUROPE RATING SERVICES LTD.

A.M. BEST EUROPE INFORMATION SERVICES LTD.

12 Arthur Street, 6th Floor, London, UK EC4R 9AB

Phone: +44 (0)20 7626-6264

A.M. BEST ASIA-PACIFIC LTD.

Unit 4004 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong

Phone: +852 2827-3400

Sales & Advertising

VICE PRESIDENT **Donna Lagos**

REGIONAL SALES MANAGERS

Christine Girandola (East), 609-223-0752

Brian McGoldrick (West), 708-532-2668

SALES INQUIRIES: advertising_sales@ambest.com

NEWS INQUIRIES: news@ambest.com



BESTWEEK (ISSN 2156-762X) is published weekly by A.M. Best Co.

BESTWEEK, now available exclusively through a subscription to Best's Insurance News & Analysis, is published weekly in three region-focused editions: US/Canada (print and online); Europe (online) and Asia-Pacific (online). A one-year subscription to Best's Insurance News & Analysis that includes full online access to all three editions plus the print edition of BestWeek US/Canada costs \$870. A one-year subscription to Best's Insurance News & Analysis that includes full online-only access to all three editions costs \$770. Discounts apply to five or more subscriptions. Subscribers also receive unrestricted access to A.M. Best's real-time news service, news archive, Best's Credit Rating actions, Best's Special Reports, Best's Statistical Studies, Regulatory Week, the BestDay daily online news digest and a 12-month subscription to Best's Review magazine (print and/or online). Subscribers to many of A.M. Best's ratings and data products have the option to subscribe to Best's Insurance News & Analysis at a discount (Full News Service level subscription). To order, call (908) 439-2200, ext. 5742, or contact customer_service@ambest.com. U.S. and Canada residents can call toll-free: (800) 424-2378. For pricing for multi-user service, contact Corporate Sales team at (908) 439-2200 ext. 5311, or email sales@ambest.com.

BESTWEEK is a trademark of A.M. Best Co. All rights reserved and reproduction without permission is expressly forbidden. When presented herein, Best's Ratings reflect A.M. Best Co.'s opinion as to the relative financial strength and performance of each insurer in comparison with others, based on analysis of the information provided to A.M. Best Co. However, these ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations.

A.M. Best is compensated for its interactive rating services. These rating fees can vary from US\$ 5,000 to US\$ 500,000. In addition, A.M. Best may receive compensation from rated entities for non-rating related services or products offered.

Want News?

Stay on top of the news 24/7 by visiting www.ambest.com/newsroom, where electronic news articles are released throughout the day. You'll also find unlimited access to an archive of news stories dating back to 1992.

Turmoil Ahead

EIOPA's Year-End Analysis Warns of Threats to Insurers From EU's Sovereign Debt Crisis, Low Interest Rates



The European Union's new insurance supervisory authority closed out its first year in existence with a warning that Europe's insurers continue to face risks originating from high concentrations of exposures to sovereign debt and weak banks.

In its second half-year financial stability report for 2011, the European Insurance and Occupational Pensions Authority said the financial crisis of the past three years continues to harbor dangerous conditions for insurers and reinsurers. Aside from the threat of sovereign debt default and problems in the banking sector, insurers are vulnerable to prolonged low interest-rate yields.

EIOPA added that reinsurers suffered the additional burden of extremely high catastrophe costs throughout 2011.

"The risks in the insurance and occupational pensions sectors are at high levels, and are more pronounced than the first half of 2011," said EIOPA. "The risks stemming from exposures to sovereign and banking debt as well as the macro-economic outlook are the main factors, which may jeopardize the financial stability of the European insurance and occupational pension sectors going into 2012."

Regarding interest rates, EIOPA indicated it ran a "low-yield" stress test on insurers in 2011 utilizing two interest-rate scenarios. The result: eight insurers failed the first scenario and four failed the second.

According to EIOPA, the "capital deficit" of the failed insurers amounted to about 6 billion euros and 2 billion euros, in the first and second scenarios, respectively. "In addition, it was found that the solvency position of the industry on average would be adversely affected by a prolonged period of low yields," the agency said.

Eiopa warned life insurers "may be subject to the risk of having insufficient liquidity, which can be emphasized by banking-related transactions, e.g. through liquidity swaps and similar products as well as due to increasing surrenders."

The occupational pensions sector has generally not been affected by the financial crisis as severely as some other financial industries, said EIOPA. But the crisis "has had an impact on pension funds, pri-

marily in their role as institutional investors, and has also had a significant impact on consumer confidence."

EIOPA's second-half report noted the dangers for insurers of the economic conditions cited in the first half of 2011 -- declining asset values for insurers as investors and reduced demand for insurance products -- persisted through the second half.

The agency pointed out in its second-half report that political action is urgently needed to resolve Europe's ongoing debt crisis if a significant impact on the insurance sector is to be avoided.

"Currently, it seems that the only credible response that can abate a devastating unraveling of a full-scale European financial meltdown is a clear and comprehensive policy response that removes all doubts that the European currency area remains intact going forward," said the report. "Without political clarity the risks faced by the European insurance industry cannot be fully and precisely quantified."

EIOPA identifies the sovereign debt crisis as the single biggest threat to European insurers in 2013, but also noted that the financial position of the insurance sector has, on average, "remained resilient during 2010." The solvency ratio was at 309% for the year, but the agency warned that this average figure doesn't represent the health of insurance undertakings individually, "and there is reason to highlight pockets of concerns with respect to both the weaker capitalized companies and the undertakings with asset holdings that can have been adversely affected during 2011."

—David Pilla

BESTWEEK EUROPE

Editorial

Editor: David Pilla, 908-439-2200, ext. 5229

London News Editor: Robert O'Connor, +44-20-7397-0263

Assistant Vice President News: Marilyn Ostermiller

Group Vice President Communications: Lee McDonald

Circulation: Linda McEntee

Designer: Angel M. Negrón