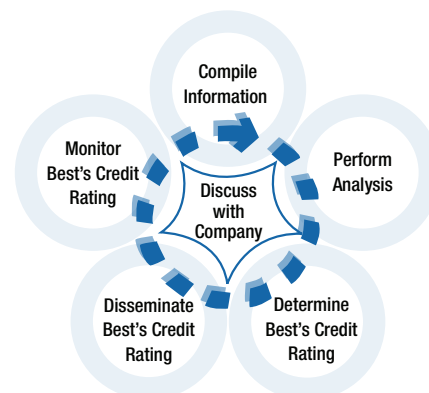


Best's Credit Rating (BCR) Process

The typical duration from signed contract to ratings announcement is generally about three to four months. Each interactively rated entity is assigned to a rating analyst, who manages the ongoing interaction with company management and conducts the fundamental credit analysis as described in AM Best's rating criteria.

BCRs are initially determined and periodically updated through a defined rating committee process. The rating committee itself consists of analytical staff and is generally chaired by senior rating officers. The committee approach ensures rating consistency across different business segments and maintains the integrity of the rating process (described briefly below).



1

Compile Information

The assigned analyst collects public and proprietary financial information and data to develop a tailored meeting agenda.

2

Perform Analysis

AM Best incorporates a host of qualitative and quantitative measures to evaluate the organization's financial health.

3

Determine Best's Credit Rating

The AM Best rating committee ensures rating consistency and maintains the integrity of the rating process and methodology.

4

Disseminate Best's Credit Rating

If the initial Best's Credit Rating is accepted, it is distributed via the AM Best website, press releases and a number of print and digital publications.

5

Monitor Best's Credit Rating

AM Best regularly monitors the rating by continually analyzing the organization's creditworthiness.

AM Best relies primarily on information provided by the rated entity, although other sources of information may be used in the analysis.

Sample Information Inputs

Private		Public
<ul style="list-style-type: none"> Capital structure Investment and credit guidelines Reinsurance guidelines Exposure to catastrophes Enterprise risk management (ERM) Internal capital models 	<ul style="list-style-type: none"> Meeting with key executives Business plans and projections Supplemental Rating Questionnaire (SRQ) Actuarial memorandum Loss provision reports Cash-flow stress testing 	<ul style="list-style-type: none"> Financial statements Reports to shareholders Public records Regulatory reports and disclosure notes Audit reports Compliance and ethical conduct reports

For more information on Best's Credit Rating process, please visit <http://www.ambest.com/ratings/index.html>.

A Best's Credit Rating (BCR) is a forward-looking, independent opinion regarding an insurer's, issuer's or financial obligation's relative creditworthiness. For limitations and disclosures regarding Best's Credit Ratings, please visit www.ambest.com/ratings/notice.asp