

**Best's Credit Rating Effective Date**

September 06, 2024

**Best's Country Risk Reports Utilized**[Ghana - CRT - 5](#)[Sierra Leone - CRT - 5](#)[Nigeria - CRT - 5](#)**Analytical Contacts**

Naz Botea

Financial Analyst

[Naz.Botea@ambest.com](mailto:Naz.Botea@ambest.com)

+44 207 397 0329

Kanika Thukral

Associate Director-Analytics

[Kanika.Thukral@ambest.com](mailto:Kanika.Thukral@ambest.com)

+44 207 397 0327

**Information**[Best's Credit Rating Methodology](#)[Guide to Best's Credit Ratings](#)[Market Segment Outlooks](#)**Financial Data Presented**

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 exhibits in this report are available here: [Best's Financial Report](#).

**WAICA Reinsurance Corporation PLC****AMB #:** 071675**Associated Ultimate Parent:** AMB # 094468 - WAICA Reinsurance Corporation PLC**Best's Credit Ratings - for the Rating Unit Members****Financial Strength Rating  
(FSR)**

<b>B</b>
<b>Fair</b>
Outlook: <b>Stable</b>
Action: <b>Affirmed</b>

**Issuer Credit Rating  
(ICR)**

<b>bb+</b>
<b>Fair</b>
Outlook: <b>Stable</b>
Action: <b>Affirmed</b>

**Assessment Descriptors**

Balance Sheet Strength	<b>Strong</b>
Operating Performance	<b>Strong</b>
Business Profile	<b>Limited</b>
Enterprise Risk Management	<b>Marginal</b>

**Rating Unit - Members****Rating Unit:** WAICA Reinsurance Corp PLC | **AMB #:** 071675

<b>AMB #</b>	<b>Rating Unit Members</b>
094468	WAICA Reinsurance Corp PLC

## Rating Rationale

### Balance Sheet Strength: **Strong**

- WAICA Reinsurance Corporation PLC's (WAICA Re) risk-adjusted capitalisation remained at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR) at year-end 2023. After declining in previous years, the buffer in risk-adjusted capitalisation recovered in 2023, as a result of a capital injection and strong organic growth.
- Low retrocession dependence.
- Investment risk reduced in 2023 driven by moderate investments made in bonds of excellent credit quality and significant impairment of holdings of Ghanaian external debt, which is currently in default and is in the process of restructuring, with an agreement in principle reached with Ghana's external creditors in June 2024.
- Exposure to significant levels of economic, political and financial system risks that are associated with the company's core markets.

### Operating Performance: **Strong**

- Track record of strong operating performance, considering WAICA Re has consistently reported robust return-on-equity ratios in recent years, which have significantly exceeded the benchmark interest rates in the markets where it operates.
- Solid and stable technical performance, with underwriting profits reported over the cycle.
- Prospective earnings are expected to remain strong, underpinned by robust technical performance, and complemented by positive, albeit modest, investment returns, reflecting the low-yielding assets in which the company primarily invests.

### Business Profile: **Limited**

- WAICA Re is a composite reinsurer writing business in more than 90 countries; however, the insurance revenue is moderately concentrated in West Africa.
- Good long-term growth prospects with the expectation of continued growth in insurance revenue, as the company's primary markets develop.
- Pricing sophistication and data quality remain limited, driven by the information available from cedants. However, this is partly mitigated by the company's predominantly facultative portfolio, which improves the quality of data.

### Enterprise Risk Management: **Marginal**

- Enterprise risk management (ERM) framework is considered to be evolving given the size and complexity of operations.
- Positive steps are being taken to improve and embed risk management throughout operations, and it is expected that the company will continue to develop its risk management capabilities.
- Considerable challenges are presented by elevated economic, political, regulatory and legal risks in the company's core markets.

### Outlook

- The stable outlooks reflect the expectation that WAICA Re's balance sheet strength fundamentals will remain resilient to pressures in its operating environment. Operating performance is expected to remain strong, underpinned by solid and stable underwriting performance and good long-term growth prospects.

### Rating Drivers

- Positive rating pressure may arise from continued enhancements to the scale and diversification of the company's underwriting portfolio, whilst maintaining its track record of solid and stable technical profits and resilience of the balance sheet fundamentals.
- Positive rating action could arise should the company's balance sheet strength fundamentals continue to improve, for example, a material improvement in risk-adjusted capitalisation and/or asset quality.
- Negative rating movement could result from a deterioration of the company's operating performance, which could be driven by aggressive growth of the underwriting portfolio.

## Key Financial Indicators

AM Best may recategorize company-reported data to reflect broader international reporting standards and increase global comparability.

### Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	62.5	48.8	42.9	41.1

Source: Best's Capital Adequacy Ratio Model - Global

Key Financial Indicators	2023 - IFRS 17 USD (000)	2022 - IFRS 17 USD (000)	2021 USD (000)	2020 USD (000)	2019 USD (000)
Net Insurance Revenue:					
Life	5,700	6,770	...	...	...
Life – Net Premiums Written	...	...	4,011	2,439	1,384
Non-Life	204,628	165,976	...	...	...
Non-Life – Net Premiums Written	...	...	125,180	89,171	60,615
Composite	210,328	172,746	...	...	...
Composite – Net Premiums Written	...	...	129,191	91,610	61,999
Net Income	36,043	23,095	19,929	13,136	9,574
Total Assets	268,088	193,970	210,358	183,884	136,888
Total Capital and Surplus	159,170	108,753	113,740	98,159	89,370

Source: BestLink® - Best's Financial Suite

Key Financial Indicators & Ratios	2023 - IFRS 17 USD (000)	2022 - IFRS 17 USD (000)	2021 USD (000)	2020 USD (000)	2019 USD (000)
Profitability:					
Life (Re)Insurance and Investment Result	60	-299	...	...	...
Balance on Life Technical Account	...	...	676	461	-13
Non-Life (Re)Insurance and Investment Result	63,693	45,926	...	...	...
Balance on Non-Life Technical Account	...	...	18,598	8,480	5,008
Net Income Return on Revenue (%)	17.1	13.4	13.2	16.0	15.6
Net Income Return on Capital and Surplus (%)	26.9	...	18.8	14.0	10.9
Non-Life Combined Ratio (%)	...	...	86.9	88.9	91.2
Net Investment Yield (%)	1.1	...	3.1	3.4	3.8
Leverage:					
Net Insurance Services Revenue to Capital and Surplus (%)	132.1	158.8	...	...	...
Net Premiums Written to Capital and Surplus (%)	...	...	113.6	93.3	69.4

Source: BestLink® - Best's Financial Suite

Note: Non-Life (Re)Insurance and Investment Result includes investment income. Balance on Non-Life Technical Account does not include investment income.

## Credit Analysis

### Balance Sheet Strength

The Best's Capital Adequacy Ratio (BCAR) scores presented under the "Best's Capital Adequacy Ratio (BCAR) Scores (%)" section of this report are based on WAICA Reinsurance Corporation PLC's (WAICA Re) audited consolidated financial statements for the year ending on 31 December 2023.

WAICA Re's balance sheet strength assessment is underpinned by consolidated risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). After declining in previous years, the buffer in risk-adjusted capitalisation recovered in 2023, as a result of a capital injection and strong organic growth. In addition, investment risk reduced in 2023, driven by moderate investments made in bonds of excellent credit quality and significant impairment of holdings of Ghanaian external debt, which is currently in default and is in the process of restructuring, with an agreement in principle reached with Ghana's external creditors in June 2024.

## Balance Sheet Strength (Continued...)

The assessment also considers the company's low level of retrocession dependence. An offsetting factor is the company's exposure to the significant economic, political and financial system risks that are associated with its core markets.

## Capitalisation

WAICA Re's financial flexibility has been enhanced by capital injections by its shareholders in 2016, 2017 and, most recently, in the first quarter of 2023 in the amount of USD 24 million. The recent capital injection and healthy retention of earnings have in part driven the improvement in WAICA Re's 2023 BCAR scores. With the de-risking of the investment portfolio, underwriting risk is the largest driver of capital consumption. Prospectively, the buffer in risk-adjusted capitalisation is expected to be maintained, with the company projecting moderate growth in insurance revenues over the medium term.

WAICA Re manages its capital adequacy according to regulatory solvency requirements in the country of incorporation (Sierra Leone) and in countries where its subsidiaries are domiciled (Kenya and Zimbabwe). In addition, the company also monitors its capital adequacy on consolidated level using a risk-adjusted economic model. This model is based on the Solvency II standard formula calculation, modified to reflect the specifics of WAICA Re and its market environment. The company targets a coverage ratio between 130% and 150% of the internal model's capital requirements, with a minimum threshold of 100%. At year-end 2023, the coverage ratio was 118% (2022: 120%).

A partially offsetting factor to the balance sheet strength assessment is WAICA Re's high proportion of insurance-related receivables relative to its insurance revenue base. However, the company implemented measures aimed at mitigating credit risk in recent years, such as a stricter impairment policy and 90 days premium payment warranty, in other words, not paying claims until the premium due is fully paid.

<b>Capital Generation Analysis</b>	<b>2023 - IFRS 17 USD (000)</b>	<b>2022 - IFRS 17 USD (000)</b>	<b>2021 USD (000)</b>	<b>2020 USD (000)</b>	<b>2019 USD (000)</b>
Beginning Capital and Surplus	108,753	113,740	98,160	89,370	85,957
Net Income	36,043	23,095	19,929	13,136	9,574
OCI Movement	-3,094	-1,865	...	...	...
Other Provisions/Reserves/Restatements	-94	-21,217	...	...	...
Net Change in Paid-In Capital and Surplus	23,562	...	...	...	...
Currency Exchange Gains (Losses)	...	...	-111	-1,234	-3,955
Stockholder Dividends	-6,000	-5,000	-4,000	-3,000	-2,500
Other Changes in Capital and Surplus	...	...	-238	-112	294
Net Change in Capital and Surplus	50,417	-4,987	15,580	8,790	3,413
Ending Capital and Surplus	159,170	108,753	113,740	98,160	89,370
Of which:					
Net Change in Capital and Surplus (%)	46.4	-4.4	15.9	9.8	4.0

Source: BestLink® - Best's Financial Suite

<b>Liquidity Analysis (%)</b>	<b>2023 - IFRS 17</b>	<b>2022 - IFRS 17</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Liquid Assets to Adjusted Liabilities	321.4	251.3	139.4	122.7	166.8
Total Investments to Total Liabilities	210.9	200.8	151.2	134.3	187.4

Source: BestLink® - Best's Financial Suite

## Asset Liability Management - Investments

WAICA Re's investment portfolio is relatively conservative by asset class, with the majority of the portfolio held as cash and deposits. Investment risk reduced in 2023, driven by moderate investments made in bonds of excellent credit quality and significant impairment of holdings of Ghanaian external debt. However, it is still considered to be elevated, as the majority of assets are held in countries that are exposed to significant economic, political and financial system risks.

At year-end 2023, investments were split by asset class as follows: cash and deposits (61%), fixed income securities (28%), investment properties (9%) and private equity holdings (2%). Liquidity levels are high, with liquid assets covering net technical

## Balance Sheet Strength (Continued...)

provisions by 275% at year-end 2023. Fixed income securities are all government issued; however, approximately one-fifth of all bonds were held in Ghanaian external debt, which is currently in default and is in the process of restructuring. In the 2023 accounts, the Ghanaian external debt holdings at year-end 2022 (restated) were impaired by approximately 47%.

In June 2024, Ghana reached an agreement in principle with its international creditors to restructure its external debt, which is expected to result in a haircut of up to 37% to the value of the bonds and longer maturities. Ghanaian Ministry of Finance has already completed the exchange of its domestic bonds (i.e. all bonds trading in local exchanges in Ghana) with several categories of new bonds with reduced coupon rates and extended maturities. Treasury Bills were exempt from the restructuring and all holders were paid the full value of their investments on maturity.

In order to mitigate the risk of devaluation of local currencies in WAICA Re's main countries of operation, approximately 80% of investments are held in US Dollars, Euros or Pound Sterling. Amounts in local currencies are maintained mainly to meet local regulatory requirements and to match current liabilities.

Composition of Cash and Invested Assets	2023 - IFRS 17 USD (000)	2022 - IFRS 17 USD (000)	2021 USD (000)	2020 USD (000)	2019 USD (000)
Total Cash and Invested Assets	229,739	171,116	146,128	115,152	89,066
Cash (%)	60.9	66.1	89.2	86.3	83.6
Bonds (%)	27.8	26.6	2.9	5.1	5.4
Equity Securities (%)	2.1	0.6	...	...	...
Real Estate, Mortgages and Loans (%)	9.2	6.6	7.6	8.3	10.7
Total Cash and Unaffiliated Invested Assets (%)	100.0	100.0	99.7	99.7	99.6
Investments in Affiliates (%)	...	...	0.3	0.3	0.4
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

## Reserve Adequacy

WAICA Re's booked reserves are prescribed by regulatory requirements and subject to review by external actuarial consultants. Upon implementing IFRS 17, the company began discounting reserves and booked a risk adjustment at the 80th percentile. The discount rates are determined by reference to the risk-free rates on government bonds.

Loss reserve development triangles (2019-2023) show a trend of adverse reserve development, attributed to the booking of pipeline premiums under IFRS 17, as well as the delay in the reporting of attritional losses, which is viewed to be an industry wide issue.

## Operating Performance

WAICA Re has a track record of strong operating performance, considering it has consistently reported robust return-on-equity ratios in recent years, which have significantly exceeded the benchmark interest rates in the markets where it operates. The company reported a net profit of USD 36.0 million on a consolidated basis in 2023, which increased by 56% compared to the USD 23.1 million reported in 2022. This was supported by a robust technical profit of USD 37.3 million (2022: USD 29.9 million).

Underwriting profits are well-diversified by lines of business. All lines of business contributed positively to technical profits in 2023, except for life business which has been a modest contributor to the company's revenues in recent years, having comprised 2% of the 2023 insurance revenue.

The company has solid and stable technical performance, with underwriting profits reported over the cycle. The non-life combined ratio (net/net) in 2023 was 81.5% (2022: 81.8%). The non-life loss ratio (net/net) increased slightly from 35.9% in 2022 to 36.8% in 2023, offset by the decline in the non-life expense ratio (net/net) from 45.9% to 44.7%. Although the expense ratio is higher than that of regional peers, it is in line with WAICA Re's expectations given the company's organisational growth and expanding footprint.

In 2023, the company reported a modest net investment yield of 1.1%, with investment income largely derived from fixed income instruments (i.e. deposits and bonds). WAICA Re generally reports relatively lower investment yields compared to regional peers that report in local currencies. This reflects the company's conservative investment allocation by asset class and USD reporting currency.

## Operating Performance (Continued...)

WAICA Re's prospective operating earnings are expected to remain strong, underpinned by robust technical performance, and complemented by positive, albeit modest, investment returns.

Financial Performance Summary	2023 - IFRS 17 USD (000)	2022 - IFRS 17 USD (000)	2021 USD (000)	2020 USD (000)	2019 USD (000)
Pre-Tax Income	39,329	25,586	21,163	13,553	9,734
Net Income excl Non-Controlling Interests	36,043	23,095	19,929	13,136	9,574

Source: BestLink® - Best's Financial Suite

Operating and Performance Ratios (%)	2023 - IFRS 17	2022 - IFRS 17	2021	2020	2019
Overall Performance:					
Adjusted Return on Assets	14.3	...	...	...	...
Adjusted Return on Capital and Surplus	24.6	...	...	...	...
Adjusted Return on Capital and Surplus (Life CSM as Equity)	24.6	...	...	...	...
Net Income Return on Capital & Surplus	26.9	...	18.8	14.0	10.9
Non-Life Performance:					
Loss and LAE Ratio (net/net)	36.8	35.9	...	...	...
Loss and LAE Ratio	...	...	48.2	39.2	31.9
Expense Ratio (net/net)	44.7	45.9	...	...	...
Expense Ratio	...	...	38.7	49.8	59.3
Non-Life Combined Ratio (net/net)	81.5	81.8	...	...	...
Non-Life Combined Ratio	...	...	86.9	88.9	91.2
Non-Life Combined Ratio (net/gross)	84.8	84.7	...	...	...
Life Performance:					
Pre-tax to Net Insurance Revenue	-6.9	-13.9	...	...	...
Pre-tax to Net Premiums Written	...	...	999.9	999.9	999.9

Source: BestLink® - Best's Financial Suite

Note: Adjusted refers to net income including other comprehensive income

## Business Profile

WAICA Re is a composite reinsurer writing business in more than 90 countries; however, the insurance revenue is moderately concentrated in West Africa. The company has experienced strong growth in its revenue over the cycle. In 2023, it recorded a 27% growth in insurance revenue. Nonetheless, growth is expected to moderate over the near-to-medium term.

WAICA Re's portfolio is somewhat concentrated on a line of business basis, with property engineering comprising 64% of the insurance revenue in 2023. The rest of the portfolio was split between casualty (15%), oil and gas (10%), marine and aviation (7%), motor (3%) and life (2%). The company primarily writes facultative business, approximately 75% of insurance revenue in 2022 and 2023, with significant reliance on the brokerage distribution channel.

WAICA Re operates via its headquarters in Sierra Leone, three insurance subsidiaries in Kenya, Zimbabwe and the Dubai International Financial Centre, two non-insurance subsidiaries in Ghana and the United Kingdom, and a network of branches and representative offices in Ghana, Nigeria, Ivory Coast and Tunisia.

The company underwrites risks in across Africa and Asia. However, the business is moderately concentrated in West Africa with approximately a third of the insurance revenue emanating from the region. The strategic focus of the company is to continue to expand and diversify its coverage across regions outside of these two main markets.

## Enterprise Risk Management

WAICA Re's enterprise risk management (ERM) framework is considered to be evolving, given the size and complexity of operations. Positive steps are being taken to improve and embed risk management throughout the operations, and it is expected that the company will continue to develop its risk management capabilities.

**Enterprise Risk Management (Continued...)**

WAICA Re maintains a risk appetite statement, which sets out appetites by risk type and assigned tolerances. The management team has a clear set of responsibilities in place. Risk owners are required to maintain their risk registers, which are reviewed on a regular basis. The board receives quarterly reports that highlight the aggregated risk profile of the business and key risk indicators.

The company's senior management is aware of the company's exposure to operational risks and has implemented a yearly training plan to improve learning and awareness amongst employees as part of its efforts to reduce operational risk. The company also deployed a risk management tool in 2023 to consolidate risk registers, incident reporting and risk aggregation across the group.

Exposure to catastrophe risk is typically low in West Africa, with risks generally geographically diverse given the low insurance penetration in the region. WAICA Re's main catastrophic event exposure is considered to be flood. The quality of data is not homogeneous, reflecting the information provided by its cedants, which can have data issues, such as accuracy, granularity, and ground-up versus truncated data. The company is able to partially circumvent this issue given that its portfolio is predominantly comprised of facultative business, allowing for access to a greater level of detail over its exposures.

WAICA Re faces considerable challenges represented by elevated economic, political, regulatory and legal risks in its core markets.

**Reinsurance Summary**

WAICA Re's retrocession protection includes a non-proportional treaty for its main classes of business: liability, property, marine, energy and aviation, and political violence and terrorism. The company also uses facultative retrocession for any exposure beyond USD 40 million. The counterparties on the company's retrocession panel are largely rated bbb- or above. WAICA Re's dependence on retrocession is considered low, highlighted by the 82% insurance revenue retention ratio in 2023.

**Environmental, Social & Governance**

Some of WAICA Re's main markets are highly dependent on revenue from natural resources to sustain economic growth. While most of these natural resources, such as oil and gas, are still sought after commodities and are expected to spur growth and opportunities in the (re)insurance sector, there is concern regarding their long-term viability.

The concepts of sustainability and Environmental, Social and Governance factors (ESG) are slowly gaining traction in the region. In 2021, the Nairobi Declaration on Sustainable Insurance was launched to promote and support the achievement of the UN Sustainable Development Goals. WAICA Re is a signatory to this declaration.

WAICA Re recently implemented a data analytics tool to monitor the exposure of its assets and underwriting portfolio to climate risks, as well as running scenario analyses to aid strategic planning and performing investment due diligence. This tool is viewed to enhance the company's ability to assess and manage climate-rated risks.



## Financial Statements

	12/31/2023		12/31/2022
	IFRS 17		IFRS 17
	USD (000)	%	USD (000)
<b>Balance Sheet</b>			
Cash and Short Term Investments	140,015	52.2	113,178
Bonds	63,815	23.8	45,560
Equity Securities	4,740	1.8	1,068
Other Invested Assets	21,169	7.9	11,310
<b>Total Cash and Invested Assets</b>	229,739	85.7	171,116
Reinsurance Held Assets	-14,846	-5.5	-4,983
Debtors / Amounts Receivable	4,181	1.6	2,527
Other Assets	49,014	18.3	25,310
<b>Total Assets</b>	268,088	100.0	193,970
Non-Life – Liability for Remaining Coverage	-22,572	-8.4	-10,136
Non-Life – Liability for Incurred Claims	79,333	29.6	54,448
Non-Life – Risk Adjustment	7,359	2.7	4,851
Life – Liability for (Re)Insurance Contracts	2,707	1.0	1,801
Total Insurance Liabilities	59,468	22.2	46,113
Other Liabilities	49,450	18.4	39,104
<b>Total Liabilities</b>	108,918	40.6	85,217
Capital Stock	88,438	33.0	64,876
Retained Earnings	55,442	20.7	31,093
Other Capital and Surplus	15,290	5.7	12,784
<b>Total Capital and Surplus</b>	159,170	59.4	108,753
<b>Total Liabilities and Surplus</b>	268,088	100.0	193,970

Source: BestLink® - Best's Financial Suite



AMB #: 071675 - WAICA Reinsurance Corporation PLC

	IFRS 17 Non-Life USD (000)	IFRS 17 Life USD (000)	IFRS 17 Other USD (000)	12/31/2023 IFRS 17 Total USD (000)	12/31/2022 IFRS 17 Total USD (000)
<b>Income Statement</b>					
Insurance Services Revenue	249,924	5,776	...	255,700	203,535
Net Insurance Services Revenue	204,628	5,700	...	210,328	172,746
Net Investment Income	9,024	427	...	9,451	-5,010
Of which:					
FVTPL*, Revenue OCI	7,776	368	...	8,144	7,158
Credit Impairments, Other	1,248	59	...	1,307	-12,168
Insurance Investment Expense	2,719	238	...	2,957	-1,600
Insurance Finance Result	6,305	189	...	6,494	-3,410
Other Income/(Expense)	...	...	2,723	2,723	1,409
Group Finance Income/(Expense)	...	...	-7,195	-7,195	-2,181
Reinsurance Result Profit/(Loss)	-40,716	-74	...	-40,790	-28,184
Total Revenue	215,513	5,891	-4,472	216,932	171,169
Claims Expenses	79,915	3,404	...	83,319	66,556
Net Operating and Other Expense	91,406	2,878	...	94,284	79,027
Total Insurance and Other Expenses	171,321	6,282	...	177,603	145,583
<b>Pre-Tax Income</b>	44,192	-391	-4,472	39,329	25,586
Income Taxes Incurred	...	...	3,286	3,286	2,491
<b>Net Income/(loss)</b>	...	...	...	36,043	23,095

Source: BestLink® - Best's Financial Suite

\*CSM = Contractual Service Margin

\*GMM = General Measurement Model

\*FVTPL = Fair Value Through Profit or Loss

## Related Methodology and Criteria

[Best's Credit Rating Methodology, 08/29/2024](#)

[Catastrophe Analysis in AM Best Ratings, 02/08/2024](#)

[Available Capital and Insurance Holding Company Analysis, 08/15/2024](#)

[Evaluating Country Risk, 06/06/2024](#)

[Scoring and Assessing Innovation, 02/27/2023](#)

[Understanding Global BCAR, 08/01/2024](#)

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do 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. A Financial Strength 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.

A Best's Issue/Issuer Credit Rating is an opinion regarding the relative future credit risk of an entity, a credit commitment or a debt or debt-like security.

Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do 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, AM Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, AM Best does not independently verify the accuracy or reliability of the information. Any and all ratings, opinions and information contained herein are provided "as is," without any express or implied warranty.

Visit <https://www.ambest.com/ratings/index.html> for additional information or <https://www.ambest.com/terms.html> for details on the Terms of Use.

**Copyright © 2024 A.M. Best Company, Inc. and/or its affiliates. All rights reserved** No portion of the content may be reproduced, distributed, or stored in a database or retrieval system, or transmitted, or uploaded into any external applications, bots or websites, including those using artificial intelligence technologies such as large language models and generative Artificial Intelligence in any form or by any means without the prior written permission of AM Best. AM Best does not warrant the accuracy, completeness, or timeliness of the AM Best content. While the content was obtained from sources believed to be reliable, its accuracy is not guaranteed. You specifically acknowledge that neither AM Best nor the content gives any investment, financial, tax, insurance, or legal advice. You are solely responsible for seeking competent professional advice before making any investment, financial, tax or insurance decision. For additional details, refer to our *Terms of Use* available at the AM BEST website: [www.ambest.com/terms](https://www.ambest.com/terms). All information contained herein was obtained by AM BEST from sources believed by it to be accurate and reliable. Notwithstanding the foregoing, AM BEST does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and all such information is provided on an "as is" and "as available" basis, without any warranties of any kind, either express or implied. Under no circumstances shall AM BEST have any liability to any person or entity for (a) any loss or damage of any kind, in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of AM BEST or any of its directors, officers, employees, or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory, punitive or incidental damages whatsoever (including without limitation, personal injury, pain and suffering, emotional distress, loss of revenue, loss of present or prospective profits, loss of business or anticipated savings, or loss of goodwill) resulting from the use of, or inability to use, any such information, in each case, regardless of (i) whether AM BEST was advised in advance of the possibility of such damages, (ii) whether such damages were foreseeable, and (iii) the legal or equitable theory (contract, tort or otherwise) upon which the claim is based. The credit ratings, performance assessments, financial reporting analysis, projections, and any other observation, position or conclusion constituting part of the information contained herein are, and shall be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor do they individually or collectively address the suitability of any particular financial obligation for a specific purpose or purchaser. Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. Service performance risk is the risk that an entity may not meet its contractual service performance obligations on behalf of its insurance partners. Consequently, neither credit ratings nor performance assessments address any other risk, including but not limited to, liquidity risk, market value risk or price volatility of rated securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR ASSESSMENT OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY AM BEST IN ANY FORM OR MANNER WHATSOEVER. Each credit rating, performance assessment or other opinion must be weighed solely as one factor in any investment or purchasing decision made by or on behalf of any user of the information contained herein. Each such user will, with due care, make its own study and evaluation of each security or other financial obligation, and of each issuer and guarantor of, and each provider of credit support, and an independent view of service provider performance for, each security or other financial obligation that it may consider purchasing, holding, or selling or for each service contract that it may consider entering into. For additional detail on credit ratings or performance assessments, and their respective scales, usage, and limitations, refer to the Guide to Best's Credit Ratings (<https://www.ambest.com/ratings/index.html>) or the Guide to Best's Performance Assessments (<https://www.ambest.com/ratings/assessmentMethodology.html>).

**Reports were prepared exclusively for the use of Naz Botea. Not for redistribution unless otherwise permitted.**