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BEST'S REVIEW®

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AM BEST'S MONTHLY INSURANCE MAGAZINE

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BEST'S REVIEW®

September 2024 • Volume 125 • Issue 9

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AM BEST'S MONTHLY INSURANCE MAGAZINE

Mutual Understanding

Liz Green, CEO designate for the International Cooperative and Mutual Insurance Federation, says it's her job to keep global mutuals relevant. Mutual Sector Coverage Pages 35-45



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Mutual Insurers Move Into Focus

Best's Review speaks with mutual insurance industry leaders as the annual NAMIC convention gets underway later this month. This issue also includes AM Best's exclusive ranking of top global reinsurers.

As summer draws to a close, the insurance industry events schedule moves into high gear. September is a busy month for meetings. Many of the industry's top leaders will gather for the 66th Rendez-Vous de Septembre, the annual global reinsurance conference in Monte Carlo, scheduled for Sept. 7-11.

The Wholesale & Specialty Insurance Association holds its annual marketplace gathering in San Diego from Sept. 22-25. At the same time, U.S. mutual insurers will gather in Denver for NAMIC's 129th annual convention.

In light of Mutual Insurance Awareness Month, *Best's Review* focuses on the global mutual insurance sector in the September issue. Mutual and cooperative insurers had about 26% of the world's insurance market share in 2022, representing about \$1.41 trillion in premium income, according to a report by the International Cooperative and Mutual Insurance Federation.

Mutual insurers have a long history of protecting lives and property. According to the Insurance Information Institute, participants in the Friendly Society in England formed a Mutual Insurance Company to cover fire losses in 1684, shortly after the 1666 Great Fire of London. In 1696, the Hand in Hand mutual fire company was formed. Aviva's CGNU traces its origins to this company, the world's oldest continuously operating insurance company.

The Friendly Society, the first insurance company in the United States, was established in Charleston, South Carolina, in 1735, but this mutual went out of business in 1740. The Philadelphia Contributionship for Insurance of Houses From

Loss by Fire, a mutual and the oldest insurance carrier in continuous operation in the United States, was established in 1752, according to the III.

In the September issue, *Best's Review* speaks with Liz Green, ICMIF's CEO designate. In "ICMIF Executive Anticipates Microinsurers, Improving Regulatory Climate Boosting Mutuals Globally," Green discusses the state of the global mutual sector. Green will become chief executive of the U.K.-based membership association in November after Shaun Tarbuck retires after 20 years at the helm.

In "NAMIC Chief Executive Officer: Mutuals Strive To Maintain Mission, Identity Amid Economic Challenges," *Best's Review* speaks with Neil Alldredge, president and CEO. Alldredge joined NAMIC in 1999 and was named president and CEO in 2021, succeeding Chuck Chamness.

The cyber insurance market has become more prominent after the July CrowdStrike outage, which shut down many businesses and airlines worldwide.

In "AM Best: Stable Outlook Assigned for Global Cyber Insurance Segment," AM Best TV speaks with Christopher Graham, senior industry analyst, AM Best, and Sridhar Manyem, AM Best industry research and public relations senior director, about AM Best's view of the cyber market following the release of two reports, *US Cyber: Hot Pricing Cools Off*, *Rapid Growth Stalls* and *Market Segment Outlook: Global Cyber Insurance*.

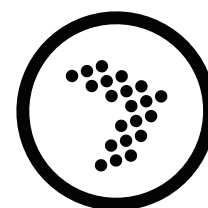
This issue includes AM Best's exclusive ranking of the top global reinsurers and a ranking of top U.S. private flood insurers.

BR

Patricia Vowinkel
Executive Editor
patricia.vowinkel@ambest.com

What's Coming Up

In the October issue, *Best's Review* examines U.S. auto insurance and publishes an exclusive ranking of the largest U.S. auto insurers. The issue also will include a ranking of the largest Caribbean insurers.



MUTUAL INSURERS

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Best's Review speaks with the incoming CEO of the International Cooperative and Mutual Insurance Federation and the president and CEO of the National Association of Mutual Insurance Companies. Rankings of the top property/casualty and life/health mutuals are also included.



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ICMIF Executive Anticipates Microinsurers, Improving Regulatory Climate Boosting Mutuals Globally

Liz Green, CEO designate for the International Cooperative and Mutual Insurance Federation, says she anticipates the additional growth of insurers owned by policyholders amid an improving regulatory climate and innovative approaches in emerging markets.



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NAMIC Chief Executive Officer: Mutuals Strive To Maintain Mission, Identity Amid Economic Challenges

Neil Alldredge, president and CEO of the National Association of Mutual Insurance Companies, discusses how mutuals have tried to maintain strong community connections while they face decisions about rates and potential economic and regulatory pitfalls.

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Best's Rankings

Top 25 US Property/Casualty Mutual Writers – 2024 Edition
Ranked by 2023 net premiums written.

Top 25 US Life/Health Mutual Companies – 2024 Edition
Ranked by 2023 total net admitted assets.

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Surplus Lines • Asset Management • Artificial Intelligence • Life/Health Reinsurance • Mutual Success

Insurance industry leaders discuss surplus lines, asset management, technology, litigation and risk in an evolving economy.



LIFE INSURANCE

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Minding the Gaps

With many people lacking coverage, industry executives need to work on the balance between selling life insurance and helping with long-term retirement savings, says Neil Sprackling, CEO of U.S. life and health at reinsurer Swiss Re Ltd.

Beyond Numbers

Commitment Beyond Numbers

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ASSET MANAGEMENT

Page 32 **Mortgages 90 Days Overdue Double, Drawing Investor Concern: AM Best**

U.S. life/annuity insurers expanded their allocations to mortgage loans in 2023 by more than 6% to \$734.2 billion, according to a recent Best's Special Report. Problem loans are a growing sliver of most investment portfolios.

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Ranked by 2023 individual life business issued.

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Ranked by 2023 direct premiums written.

Page 50 **Top Global Reinsurance Groups – 2024 Edition**
Non-IFRS 17 companies ranked by 2023 gross premiums written. IFRS 17 companies ranked by 2023 revenue.

Visit news.ambest.com for a full listing of Best's Rankings.

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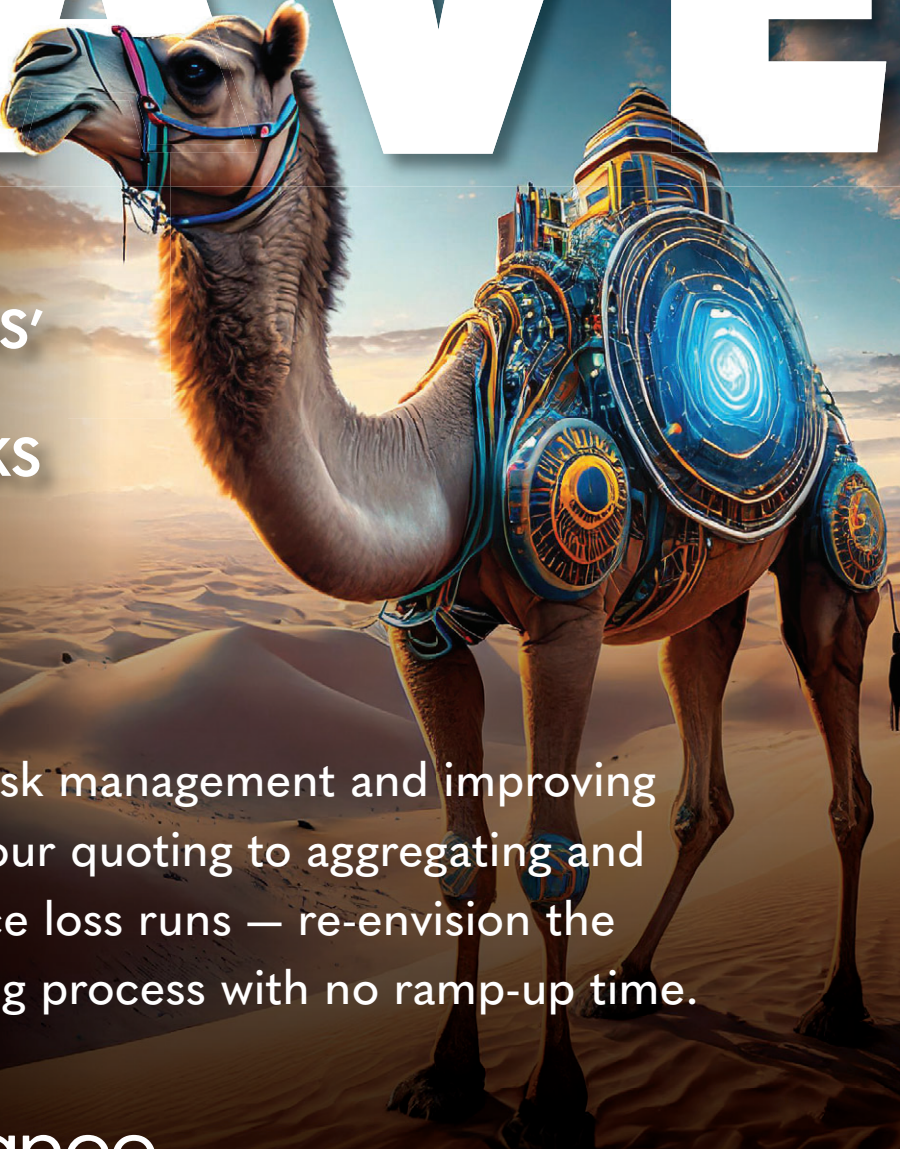
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AM Best To Speak at 66th Rendez-Vous de Septembre

Sept. 7-11: 66th Rendez-Vous de Septembre, RVS, Monte Carlo, Monaco.   

Sept. 8: AM Best's Reinsurance Market Briefing – Rendez-Vous de Septembre, AM Best, Monte Carlo, Monaco.  

Sept. 8-10: APCA Investment Conference, American Property Casualty Insurance Association, Park City, UT, USA.  

Sept. 11-13: NAPCO Credit Conference, North American Power Credit Organization, Salt Lake City, UT, USA.  

Sept. 22-25: 2024 Annual Marketplace, Wholesale & Specialty Insurance Association, San Diego, CA, USA.  

Sept. 22-25: NAMIC 129th Annual Convention, National Association of Mutual Insurance Companies, Denver, CO, USA.     

 Attending  Exhibiting  Speaking  Hosting
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Scan for a full list of conferences and events.

Sept. 25-27: Annual Conference 2024, American Council of Life Insurers, Chicago, IL, USA.   

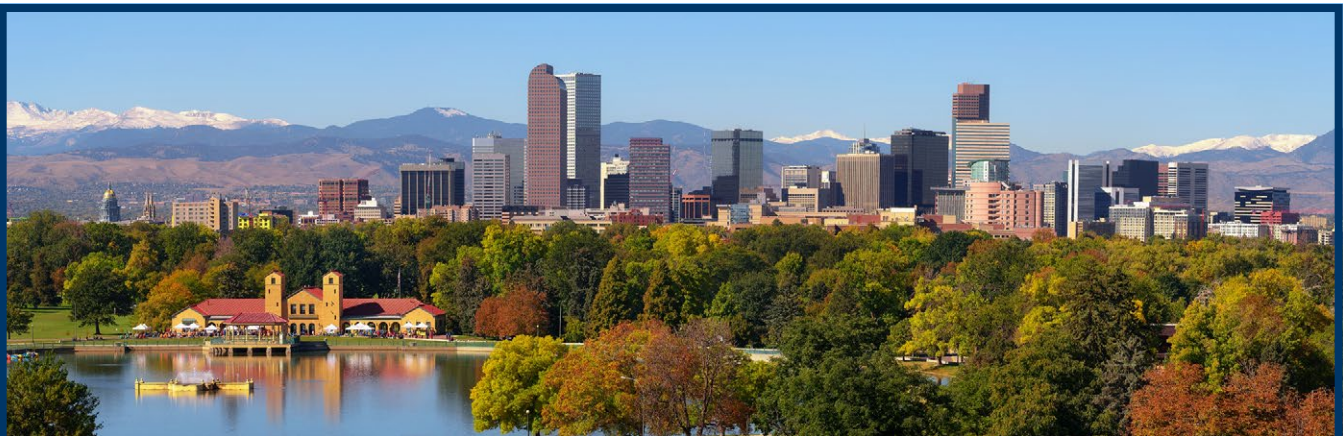
Oct. 15-17: InsureTech Connect Las Vegas, InsureTech Connect, Las Vegas, NV, USA.  

September Is Mutual Insurance Awareness Month

Owned by and run for the benefit of their policyholders, mutual insurers focus on the long-term financial stability of their organizations. Coverage begins on page 35.



Update: "Top Global Reinsurance Groups – 2024 Edition," published on page 50 has been updated. CCR Re's gross premiums written have been adjusted, but the company remains at No. 27 on a non-IFRS 17 basis. Footnote 5 regarding Lloyd's has been changed to include new information. Ascot Group Ltd.'s combined ratio has been updated to 92.0.



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Meet AM Best at the NAMIC 129th Annual Convention

When: September 22-25, 2024 | **Where:** Denver, Colorado

AM Best is a sponsor of the event and will host a networking reception on Tuesday, September 24 at 5:30 PM in Juniper A at the Gaylord Rockies Resort & Convention Center. AM Best will also be exhibiting at booth #309.

Event details are subject to change. Scan the QR code for the latest conference information.



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CNA Financial Names Successor as Chairman and CEO Is Set To Step Down, Take on New Executive Chairman Role in the New Year

Zurich North America hires CFO, Markel appoints chief strategy officer and MetLife names new chief human resources officer.

CNA Financial Corp. Chairman and Chief Executive Officer Dino Robusto will leave the role effective Jan. 1, 2025, and be succeeded by President & Global Head of Underwriting Doug Worman, the company said in a statement.

Robusto will transition into the role of executive chairman of CNA's board of directors, where he will serve as a strategic adviser to Worman in pursuit of its objectives, the company said.

"We are extremely thankful to Dino, who over the past eight years has worked tirelessly to lead the company to record levels of profitability and top quartile underwriting performance," said James S. Tisch, a member of CNA's board of directors and the chief executive officer of Loews Corp., CNA's largest shareholder. "We are delighted that he will continue to advise CNA as executive chairman. As we look to the future, we know that Doug is a dynamic and proven leader with a clear vision for the company."



Dino Robusto



Doug Worman

Worman said he was honored to accept the new role and would be focused on "building upon Dino's success."

Worman joined CNA in March 2017 as executive vice president and chief underwriting officer. The company said he was instrumental in building CNA product organizations and business units, along with spearheading its Global Underwriting

Committee. In his current role, Worman is responsible for oversight, strategy and underwriting direction of CNA's worldwide property casualty operations.

Prior to CNA, he served as chief executive officer of Endurance U.S. Insurance and at Stone Point Capital unit Alterra Capital Holdings and as chief executive officer of Alterra US Insurance, the statement said.

"Doug is an exceptional underwriting executive and has strengthened and solidified CNA's underwriting culture and profitability," said Robusto.

—Terrence Dopp

Sompo Welcomes CIO, Fills New Head of Risk Control Post in Continental Europe Unit

Sompo appointed Thomas Leone as chief investment officer, effective Oct 1.

Leone will take over from Mark Silverstein, who has decided to retire from the role after more than 18 years with the business.

Leone joins Sompo from PartnerRe, where he has worked for 11 years, most recently as chief investment officer, according to a company statement. He began his career in financial services more



Thomas Leone

than 20 years ago and has since held roles in portfolio management and trading.

Sompo also appointed Malwine Tewes as head of risk control for its Continental Europe commercial property/casualty insurance business.

In this newly created role, Tewes will be responsible for the design and delivery of risk control programs across Sompo's P/C offerings with oversight of the risk control team located throughout Central Europe. She will be based in Cologne, Germany, the company said.

Tewes, who has almost 25 years of risk control



Malwine Tewes

experience, joins Sompso from SwissRe Corso, where she served as vice president and senior risk engineer. Previously, she was with FM Insurance Europe S.A. and also Bombardier Inc., where she was head of risk engineering, according to a company statement.

Ascot Names CEO-Director of Ascot Underwriting, President-CEO of Ascot Bermuda

Ascot Group Ltd. appointed Ian Thompson to chief executive officer and director of Ascot Underwriting Ltd. and tapped Justin Keith to succeed Thompson as president and CEO of Ascot Bermuda Ltd.

Thompson, subject to regulatory approval, will replace Jonathan Zaffino, the company said in a statement. Thompson will relocate to London from Bermuda, where he has lived and worked for the past 15 years. Zaffino will continue in his role as Ascot Group president and CEO.

Thompson joined Ascot Bermuda in 2017, first as chief underwriting officer of casualty and specialty, and then as president and CEO of Ascot Bermuda since December 2020, where he has overseen all Ascot business on the island, including specialty insurance, reinsurance and alternative capital. He has almost 30 years of experience as an underwriter, broker and executive in both London and Bermuda and brings to his new role deep subject matter expertise, extensive relationships in the market, and an abiding passion for leadership and company culture, the company said.

Keith's appointment will be subject to board and immigration approval.

Keith joined Ascot in 2017 and has successfully served in roles of increasing responsibility, most recently in his role as chief underwriting officer for casualty and specialty. Keith has lived and worked in Bermuda since 2012, when he moved to the island to assume leadership of the specialty reinsurance division of a major competitor. He began his insurance career 20 years ago and has held insurance and reinsurance leadership positions in the United States, London and Bermuda.



Ian Thompson



Justin Keith

Keith also will report to Zaffino in his new role overseeing all aspects of Ascot's Bermuda operations.

Zurich Taps New CFO, North America

Zurich North America named James Bracken as chief financial officer.

Peter Hirs, who previously held the post, returns to Zurich Insurance Group in Switzerland as group head of mergers/acquisitions.

As Zurich North America CFO, Bracken will oversee actuarial, financial accounting and reporting, corporate tax, treasury, planning/performance management, and finance operations. In addition, he joins the Zurich North America executive committee, the Zurich Group leadership team, the Zurich North America leadership team and the Zurich Group finance executive team.

Bracken has more than 25 years of experience in financial services. He was previously chief executive officer at Fortitude Re and, before that, CFO at AIG General Insurance. Prior to AIG, Bracken worked in global finance and audit at GE Insurance, GE Capital and Arthur Andersen & Co.

Hirs previously held regional CFO roles in Zurich Asia Pacific, Zurich Global Corporate North America and Zurich Switzerland. He joined Zurich Group M&A in 2005 after several years in investment banking at Morgan Stanley and Credit Suisse.



James Bracken

Markel Names Chief Strategy Officer

Markel appointed Phil Schmidt as chief strategy officer, leading the company's global strategy team.

In this role, Schmidt is responsible for engagement with major strategic initiatives and corporate development activities that are pursued across Markel globally. Additionally, he will work closely across Markel and its State National and Nephila divisions on initiatives that address clients' most complex risk management needs by leveraging the power of the company's platform—insurance, reinsurance, fronting and insurance-linked securities.



Phil Schmidt

Schmidt joined Markel in October 2023 as a managing director. Prior to Markel, Schmidt served as managing director for Burg, a boutique investment bank providing mergers/acquisitions, fundraising and strategy consulting services. During his 13 years with Burg, he took on other roles including serving as chief investment/strategy officer for Babbel AG and senior vice president of strategy for Pearson PLC.

Aon Hires EVP-CFO, Names Global Head of Property for Commercial Risk

Aon plc appointed Edmund Reese to succeed Christa Davies as executive vice president and chief financial officer of Aon.

The company also hired Ryan Barber as global head of property for commercial risk. He will lead Aon's global property practice, the company said.

Davies will be a senior adviser to the firm until her previously announced retirement in 2025. She joined Aon in 2007 and has served as CFO since 2008.

In his new role, Reese is responsible for the firm's finance function and capital allocation strategy, the company said.

Reese has more than 25 years of leadership experience at large public companies in the financial services, payments and technology sectors. He has served since 2020 as CFO of Broadridge Financial Solutions, a global fintech leader with technology solutions that power trading and investor communications. He joined Broadridge from American Express, where he last served as senior vice president and CFO of its largest business unit, global consumer services group, and held several financial leadership positions, including head of investor relations and CFO of global business services.

Barber is a 20-year veteran of Marsh McLennan, where he served as U.S. property practice sales leader. Previously he was co-leader of the U.S. property practice for Integro Insurance Brokers and a senior property broker and business development specialist for Willis Towers Watson, following time in property broking earlier in his career at Marsh, the company said.



Edmund Reese



Ryan Barber

MetLife Taps EVP-Chief Human Resources Officer

MetLife Inc. hired Shurawl Sibbles as executive vice president and chief human resources officer.

She will report to Michel Khalaf, president and chief executive officer, and join the executive leadership team.

Sibbles joins MetLife from American Express, where she was executive vice president and colleague strategic partner leading talent, organizational and leadership development strategies for several businesses and functions. Her scope included the company's consumer business, international markets, innovation units and the enterprise functions, the company said.

Prior to American Express, Sibbles served as senior vice president and human resources business partner for MetLife's U.S. business, global employee benefits and investments teams, as well as several of the company's functions, according to the company.

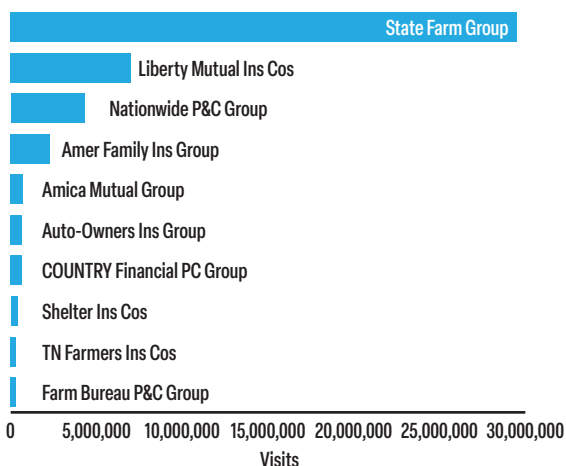


Shurawl Sibbles

BR

Web Traffic: Visits to Largest P/C Mutual Insurance Sites

State Farm Group leads web analytics provider Semrush's ranking of most-visited property/casualty mutual insurer websites.



Source: www.semrush.com.
Reported traffic for July 2024.



Scan for a full listing of Best's Rankings.

MASTHEAD FORESTAY

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Monthly Insurance Magazine Published by AM Best

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BEST'S REVIEW, Volume 125, Issue 9, September 2024 (ISSN 1527-5914) is published monthly by A.M. Best Company, Inc. Editorial and executive offices: 1 Ambest Road, Oldwick, NJ, USA 08858-9988. A one-year subscription is \$84. A two-year subscription is \$160. Subscriptions: bestsreview.ambest.com/subscribe. Telephone: +1 908 439 2200.

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Insurance industry leaders discuss surplus lines, asset management, technology, litigation and risk in an evolving economy.

Interviewed Inside:



Jamie Langes
Philadelphia
Insurance
Companies



Mike Marks
Nationwide



Sabrina Hart
Munich Re



**Brenda
(Ballard)
Austenfeld**
WSIA



**Tim
Antonelli**
Wellington
Management



Matt Daly
Conning



**Manish
Khetan**
Xceedance



**Neil
Sprackling**
Swiss Re



Chris Myers
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Future of PFAS Risk

Jamie Langes, Vice President of Environmental Underwriting for Philadelphia Insurance, said that per- and polyfluoroalkyl substances, known commonly as PFAS, represent an opportunity for significant losses for companies in a wide range of industries. Below are excerpts from an interview.



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What is the background of PFAS?

PFAS are a group of man-made chemicals. They're comprised of thousands of chemicals with characteristics of heat, oil and water resistance and are used in a variety of consumer and business products. PFAS were largely unregulated until the early 2000s, but have been related to carcinogenic and neurological impacts to humans. This year, the Environmental Protection Agency reached a significant milestone in their roadmap for managing PFAS. The recent parameters, the first ever at a federal level, has been set to focus on drinking water.

What is the background on PFAS in the insurance industry?

In the insurance industry, PFAS, because it was an unregulated substance and because they're emerging chemical compounds of concern, are unregulated from a standpoint of looking at our coverage terms. Generally speaking, environmental insurance has very broad definitions of what constitutes a pollutant. It doesn't necessarily have to be regulated, but it does have to reach a level for environmental law to intervene. In this case, because PFAS wasn't necessarily regulated, there were not standards to which remediation or cleanup values were accepted or anticipated; it was largely unutilized as a potential exclusion or affirmative coverage.

What are the potential long-term impacts on the insurance industry?

The insurance industry has decisions to make. Our policies could be very long term. For example, if we were writing a transactional preexisting, so something's happened in the past that maybe will be litigated in the future—those policies could be 10 years in terms. Alternatively, there were five-year term options available and regularly there's still three-year options available for premises-based coverage. That means that there's a lot of limit for long periods of time that are running on claims made and reported forms. Meaning, in the future, if there are claims made and reported, there might be an aggregation of potential issues, in particular, if carriers have written certain books of business for risk classes such as wastewater, water treatment, or any of the manufacturers.

Jamie Langes

Vice President – Environmental Underwriting Officer
Philadelphia Insurance Companies



“We find ourselves in an interesting position to have to navigate how different appetites, coverage restrictions, or coverage grants might actually be allowed in each of our carrier appetites.”

Visit the Issues & Answers section at [bestsreview.ambest.com](https://bestsreview.ambest.com/issuesanswersarchive.html) to watch an interview with Jamie Langes.

What's next for the insurance industry now that the EPA designated some PFAS as hazardous and set national drinking water standards?

What's next is that we need to determine actuarial modeling. We haven't really had an opportunity to do so because it's an emerging issue. How do we price the coverage? What structure considerations do we place on it from a retention valuation? Maybe we want to supplement our exposures. A lot of the coverage is unknown. Remediation techniques are uncertain. Modeling isn't completed from either a bodily injury or property damage standpoint. Regulatory body hasn't even set those standards yet. What we're looking at is trying to determine our future as a group, a marketplace, but also as individual carriers within our risk appetites.



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Nationwide E&S/Specialty Emerging Markets

Emerging Markets

Mike Marks, AVP, Emerging Markets, Nationwide Excess & Surplus and Specialty, says that his dedicated team brings the capability to Nationwide to explore and discover emerging and unmet customer needs to address these unique opportunities. Following are excerpts from an interview.



Nationwide®

How does your team define emerging markets?

In the context of our industry, the term emerging markets traditionally refers to geographic regions that are newly accessible to specific products or services, or sectors experiencing rapid evolution necessitating specialized insurance to manage unique risks. However, given our perspective as a U.S.-centric mutual insurance company, we take a more nuanced approach. We interpret emerging markets as areas where customers' needs are either unaddressed or insufficiently served, finding innovative methods of delivering and distributing traditional products and new applications for existing coverages.

What's Nationwide's approach to addressing the risks associated with these markets?

Our approach to navigating the risks of emerging markets is rooted in our identity as a mutual insurance company. This unique structure empowers us with the flexibility to prioritize long-term stability, social impact and alignment with our policyholders' interests. We harnessed a proactive strategy, leveraging data-driven insights and fostering open communication with a diverse array of stakeholders and partners. Our commitment to innovation is evident in our collaborative efforts with both traditional partners in our industry and non-traditional allies from sectors like retail, banking and health care.

What are some of the areas your team is exploring in these emerging markets?

Weather and climate change has shifted, and there are other weather challenges, such as extreme heat and cold, that businesses and customers are trying to solve. One of the areas specifically in the weather space, but not limited to just weather, is parametric insurance. While not new, with the increase in better-trusted data, we're able to go further in our potential offerings, and this will allow for unique solutions versus traditional offerings. You also hear about alternative energy, electric vehicle infrastructure, intangible assets, to name a few things. Lastly, AI. While most of the work around AI is focused on the use of the technology, the emerging markets team is thinking about the risks that AI creates and what a potential solution or product or service is needed.

Mike Marks

AVP, Emerging Markets
Nationwide Excess & Surplus and Specialty



"The Emerging Markets Group, in partnership with others, operates as an innovative hub where we proactively identify and develop strategic responses to address new risks."

Visit the Issues & Answers section at bestsreview.ambest.com to watch an interview with Mike Marks.

What do you look for when assessing new partnership opportunities?

When assessing new partnership opportunities, we look for alignment on our purpose, vision and values. Nationwide has a strong reputation and brand in the market, so we want partners who also inspire trust and confidence. We look for complementary strengths, where the partner can bring a skill or insight that our team lacks, creating a synergistic relationship. Data insight is one of these evolving capabilities. Openness to sharing knowledge and resources is important to fostering a collaborative environment conducive to innovation. We need partners who want to challenge the way we do things today, and not be anchored to how we've always thought about a problem or risk. If we can manage our risks, minimize risk to capital and provide an acceptable return, we are super excited about where emerging markets can take us over the next 100 years.

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Dynamic Specialty Market

Sabrina Hart, President and CEO, Munich Re Specialty - North America, said that risk-taking is a core competency for the company. “We see the market poised for growth in our existing product lines and we will bolster such with the launch of new products,” she said. Following are excerpts from an interview.



What is your take on the current state of the specialty insurance market?

Dynamic! The global specialty insurance market is projected to reach over \$270 billion by 2030. The E&S market continues to grow at a faster rate than the general P/C market. In 2023, the E&S market saw 14.5% growth. The E&S market now is in excess of \$85 billion and very quickly approaching \$100 billion. The market continues to be poised for growth. We do see continued business flowing into the E&S market and the specialty markets. The world certainly continues to be a riskier place. We see our businesses and industries are becoming more specialized, even more interconnected. This also brings more complex risk.

What are some trends or challenges you anticipate in your business as we move into 2025?

Inflation tends to be the first thing that comes to mind. We certainly see continued rising claims and insurance costs that are tied to increased litigation, as well as legal system abuse. Cyber is also top of mind as a product offering. There's also a continued focus on climate change as a challenge and an emerging risk, and the repercussions of how the climate crisis really impacts our industry. We see natural disasters—whether it's floods, wildfires, storms—continue to increase at really alarming rates. I also see signs of the moderating market and this actually is a call for action to keep a keen focus on risk selection.

How are your partners and customers benefiting from Munich Re Specialty's new unified global approach?

First and foremost, it's ensuring that our partners have access to the full breadth of products and services across the Munich Re Specialty group. As with any large global organization, there certainly is always an element of complexity, but we do not want to be complicated. We want to simplify that access to the offerings that we have. We leverage tools and expertise and capabilities across the organization to expedite efficiency in the system and the ease of doing business, and bringing together a technical expertise to really think about new product innovations. As an example, we recently launched a California

Sabrina Hart

President and CEO
Munich Re Specialty - North America



“Our approach and value to the market rests on three pillars: expertise, partnership and stability.”

Visit the Issues & Answers section at bestsreview.ambest.com to watch an interview with Sabrina Hart.

FAIR Plan Commercial Wrap policy. After the successful launch of our surety practice in 2022, we're now launching surety across Europe. This will be led by our Global Markets team out of Europe. We have also collaborated with our Global Markets and our HSB teams to develop cyber solutions.

What makes Munich Re a leader in the specialty market?

Munich Re has made a significant commitment to the specialty insurance space by bringing all of our specialty insurance capabilities across the globe together as a single global specialty insurance organization. We have now branded ourselves as Munich Re Specialty. Our approach and value to the market rests on three pillars: expertise, partnership and stability. We've built a really dynamic team that has a great understanding of risk and risk assessment, and strives to achieve an understanding of our brokers and customers and the challenges that we all face. In today's riskier world, selecting the right partner is more important than ever. Learn how you can partner with Munich Re Specialty at munichrespecialty.com.



MANAGE RISK. CHOOSE A WSIA MEMBER.

Some decisions are too precarious to take on alone. Sometimes you need a partner who can help you create the right solution for your client's risk, while minimizing yours. In fact, it's so cost-effective that a recent analysis by Conning, Inc. concludes that wholesale distribution does not increase the cost to the insured. That's a good decision.



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Growth Market

Brenda (Ballard) Austenfeld, WSIA Chair and RT Specialty, CEO – National Property, said the surplus lines market helps make it possible for our global economy to move quickly. Following are excerpts from an interview.



The surplus lines segment continues to experience growth. How much is it growing?

AM Best's 2023 Market Segment Report on U.S. surplus lines indicated growth of 19.2% in surplus lines direct premium written in 2022, which resulted in a new record for annual surplus lines premium of \$98.5 billion. The 15 states with surplus lines stamping offices—which account for approximately 64% of all U.S. surplus lines premium, making them a valuable indicator of the entire market—just released their 2024 midyear report, with an increase of 10.1% in surplus lines premium for the first half of 2024 over the same period last year. That report also indicated a 10.8% increase in transactions. Together, these reports offer a good insight into the state of the market, which continues to be strong.

Where is the greatest demand and growth right now?

The 15 states' stamping offices now collaborate to map each individual state's coverage codes into nine key lines of business, and the Stamping Offices Annual Report now includes data categorized by those lines. Through the first half of 2024, commercial liability and commercial property coverage constituted most of the market. Some states have also seen a slight rise in personal lines coverage over the last 18 months. It's also important to note that this industry was built on, and continues to excel at, the ability to innovate insurance products for emerging risks.

What makes the wholesale, specialty and surplus lines insurance segment unique and how do those characteristics benefit insureds?

Wholesale insurance brokers are specialists who work with their retail broker clients to develop customized solutions for challenging or unusual risks. The wholesaler works with unique and emerging risks every single day, creating a deep expertise and understanding of these risks, while insureds benefit from this technical expertise. Furthermore, wholesalers have access to coverages and options that are often not available in the standard insurance market. Their ability to tailor a competitive solution for each risk is extremely valuable. It is also important to remember that there is no cost to seek a wholesale quote, yet there can be high return for buyers.

About WSIA

- A non-profit association of insurance professionals and specialty market leaders dedicated to the wholesale distribution system.
- Serves more than 730 member firms representing more than 1,600 offices and tens of thousands of industry professionals.
- Provides world-class member services including networking, education, talent development, legislative advocacy and promotion of the value of wholesale distribution.

Brenda (Ballard) Austenfeld

WSIA Chair and RT Specialty, CEO – National Property



"The surplus lines market has grown to record levels, according to both the recent AM Best report and the 2024 midyear report."

Two analyses, by Conning Inc. in 2016 and 2021, determined that wholesale distribution does not increase the cost of the transaction to the insured. The most recent analysis actually found that the cost of wholesale distribution was lower than retail distribution by 1.8 percentage points, which is a savings win for the retail agent and the insured.

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Winds of Change

Tim Antonelli, Head of Insurance Multi-Asset Strategy for Wellington Management, says insurers should refocus their investment efforts to be more dynamic and opportunistic. The following are excerpts from a conversation we had with Tim.

How do you see the macroeconomic environment evolving?

We're expecting a macro environment with much more volatility. We're seeing increased divergence in monetary policy as central banks from around the world are trying to find the right balance between growing their economies but moderating inflation. We're also seeing more isolationist fiscal policy, as countries focus on onshoring or nearshoring systemically important industries and sectors, and a more pronounced trend toward deglobalization overall. This will lead to more localized supply chains and, in our view, more desynchronized macroeconomic cycles. These environments have the ability to test historical relationships across asset classes.

Are insurers prepared for these sorts of swings?

In a word, no. Quite frankly, they haven't had to be. If you think about how a typical insurance asset owner is positioned, they're obviously constrained by a host of factors. You have regulations. You have risk capital charges, accounting rules, and, on top of that, liability-relative constraints. What this has meant for insurance asset owners is that they are positioned for a "cool" environment marked by low growth and low inflation, or a Goldilocks environment, which is where we've been recently, where you're getting periods of good economic growth and low inflation.

How should insurers be reacting?

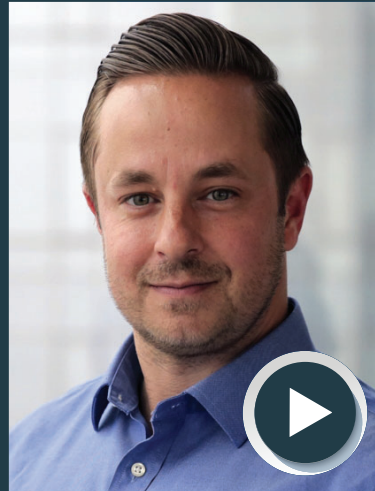
First, you really need to be able to adapt to a faster rate of economic change, so really focus on becoming more tactical and more diversified. Second, rely less on history and more on what-if analysis. The third element is using thematic investing as a way to target alpha opportunities but also provide diversification against broad market cycles. Finally, place a greater weight on implementation—how are you getting these ideas in your portfolio? Simply buying market beta may become increasingly challenged in a world that's marked by more divergence and volatility.

What should we expect moving into 2025?

There are 64 major elections occurring in 2024. As we've already seen with some of the results, there's going to be a lot of change that's

Tim Antonelli, CAIA, CFA, FRM, SCR

Head of Insurance Multi-Asset Strategy
Wellington Management



"We are hyperfocused on challenging ourselves when we're thinking about managing downside risk and how the combination of various investment levers and tools can provide a more stable path of returns moving forward over time."

Visit the Issues & Answers section at bestsreview.ambest.com to watch a video interview with Tim Antonelli.

occurring around both developed and emerging economies alike. If our hypothesis is correct, some of the changes around the shift in macro regimes could be expedited by the new political landscape. You might start to see some of the divergence play out in real time as certain central banks may be more inclined to leave interest rates higher for longer, while others are going to be more aggressive in cutting. That divergence alone should create a lot of buying opportunities for insurance companies that have already thought further ahead. Insurers should also begin to prepare for a world of normalized interest rates. Be thoughtful about what your portfolio is going to look like over the next few years on the back of central bank rate cuts. Also, insurers should be prepared for the second and third waves of the AI revolution. I think you want to be actively investing in that space outside of just the frontline players in 2025. Finally, the last theme is the energy transition. That discussion has really shifted from one focused solely on climate science to one involving national security risk. I view this as a structural theme that isn't going away anytime soon. I'd expect that to really show up in 2025.



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Effective Asset Management

Matt Daly, Managing Director, Head of Conning North America, said that the higher interest rate environment has been impacting clients. “For the most part, insurers have welcomed higher rates and investment income,” he said. The following are excerpts of an interview with John Weber at the end of July.



Matt Daly

Managing Director, Head of Conning North America
Conning



“The investment environment for insurers is becoming increasingly complex. Each insurer’s portfolio requires a specific combination of asset classes and strategies to serve their needs.”

Visit the Issues & Answers section at bestsreview.ambest.com to watch an interview with Matt Daly.

What are insurance clients looking for in terms of their asset management needs?

Effective insurance asset management is never a one-size-fits-all approach. Our clients value high levels of service and customized solutions. The ability to work closely in partnership with clients continues to be a hallmark at Conning. Insurers want an investment portfolio tailored to their specific business needs. The foundation of our work for clients is strategic asset analysis. We need to understand both sides of a client’s balance sheet to help them build the right investment strategy for their business and the macro environment. We then stress test it, so portfolios are ready should the investment environment change. Further, Conning’s clients have benefited from the broadening of our investment product platform. The investment environment for insurers is becoming increasingly complex. Each insurer’s portfolio requires a specific combination of asset classes and strategies to serve their needs.

How has third-party asset management for insurers changed over the past few decades?

Changing regulatory requirements, market volatility, the evolution of monetary and fiscal policies, and most recently, the impact of inflation and rising rates all make many insurers realize that they need help managing their portfolios. Given the ever-changing environment for insurers, it’s especially critical to partner with an insurance-focused third-party asset manager. This high level of focus can tailor investment products and services to meet specific insurance client needs.

What do you foresee as the major challenges and opportunities in the U.S. insurance asset management industry in the coming years?

Insurers are telling us that inflation has been their top concern. It erodes the real value of portfolios. It affects the ability to meet future claims obligations. We believe core inflation could remain sticky. The opportunity here is for insurers to consider a range of asset classes to help offset the negative effects of inflation. Floating-rate securities like CLOs, inflation-linked investments, and other fixed-income securities can help portfolios offset the impact of inflation. While core fixed income is now providing much better investment income in this higher rate climate, insurers have become more comfortable with different

asset classes. The industry embraced a variety of asset classes to help combat the very low-yield environment from a few years ago. Even if inflation pressures subside, the broader mindset in terms of asset class diversification into alternatives and privates we think is likely here to stay. There’s also going to be continued opportunity for asset managers to serve clients with highly customized solutions. That area should remain an important differentiator.

What emerging trends or market shifts are you monitoring?

Spreads on risk assets are relatively tight, so we’re watching to see if this could actually be a spread widening catalyst should Treasury yields go lower. Some insurers are interested in locking in interest rates and possibly extending duration. Our team has helped several clients think through alternatives and trade-offs associated with duration extension. Some insurers are short liability duration and that’s been really a tactical call as well as a result of interesting floating-rate investment opportunities. Insurers need to consider extending duration in this environment and mitigating any asset liability mismatch. In addition, we watch for potential areas that could result in market shifts, such as geopolitical risks, elections, policy changes and regulation.

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AI Adoption in Insurance

Manish Khetan, President and Co-Founder of Xceedance, said that the speed at which artificial intelligence technologies have grown has allowed insurance companies to evolve faster than ever. Following are excerpts from an interview.



xceedance

How do you see generative AI and solutions transforming the insurance industry in the next five years?

This technology's accessibility allows both individual and enterprise-wide adoption. Individually, AI can enhance personal productivity and risk assessment. On an enterprise level, AI will enable personalized insurance coverage, improved risk assessments, streamlined regulatory compliance, and enhanced collaboration tools. These dual pathways will dictate the evolution and implementation of generative AI in insurance.

What is the concept of prompt engineering and its significance in leveraging AI tools for insurance processes?

Prompt engineering is critical in utilizing AI effectively. Think of it as a conversation: You ask specific questions, and the AI provides answers based on its training data. The more refined the prompt, the better the response. For instance, detailed prompts can generate tailored and valuable insights rather than generic answers. In insurance, this is essential for tasks like risk assessment, where precise information is needed to make informed decisions. Effective prompt engineering maximizes the utility of AI tools in insurance processes.

What measures should insurers take to ensure security and data governance when using generative AI technologies?

Data security and governance are paramount. Insurers must prioritize data privacy, regulatory compliance (e.g., CCPA, GDPR), and managing AI bias. Incorrect or biased information can significantly impact operations. Regular audits are necessary to mitigate bias, ensuring alignment with company philosophy and data protection standards. Bias in AI responses can lead to skewed risk profiles and poor decision-making, which can have far-reaching negative consequences. Proactively addressing and auditing for bias ensures fairness and accuracy, safeguarding both business integrity and customer trust. Proper encryption and consent management are also crucial. With AI, the potential for amplified errors makes stringent data governance essential to maintaining security and compliance.

Manish Khetan

President and Co-Founder
Xceedance



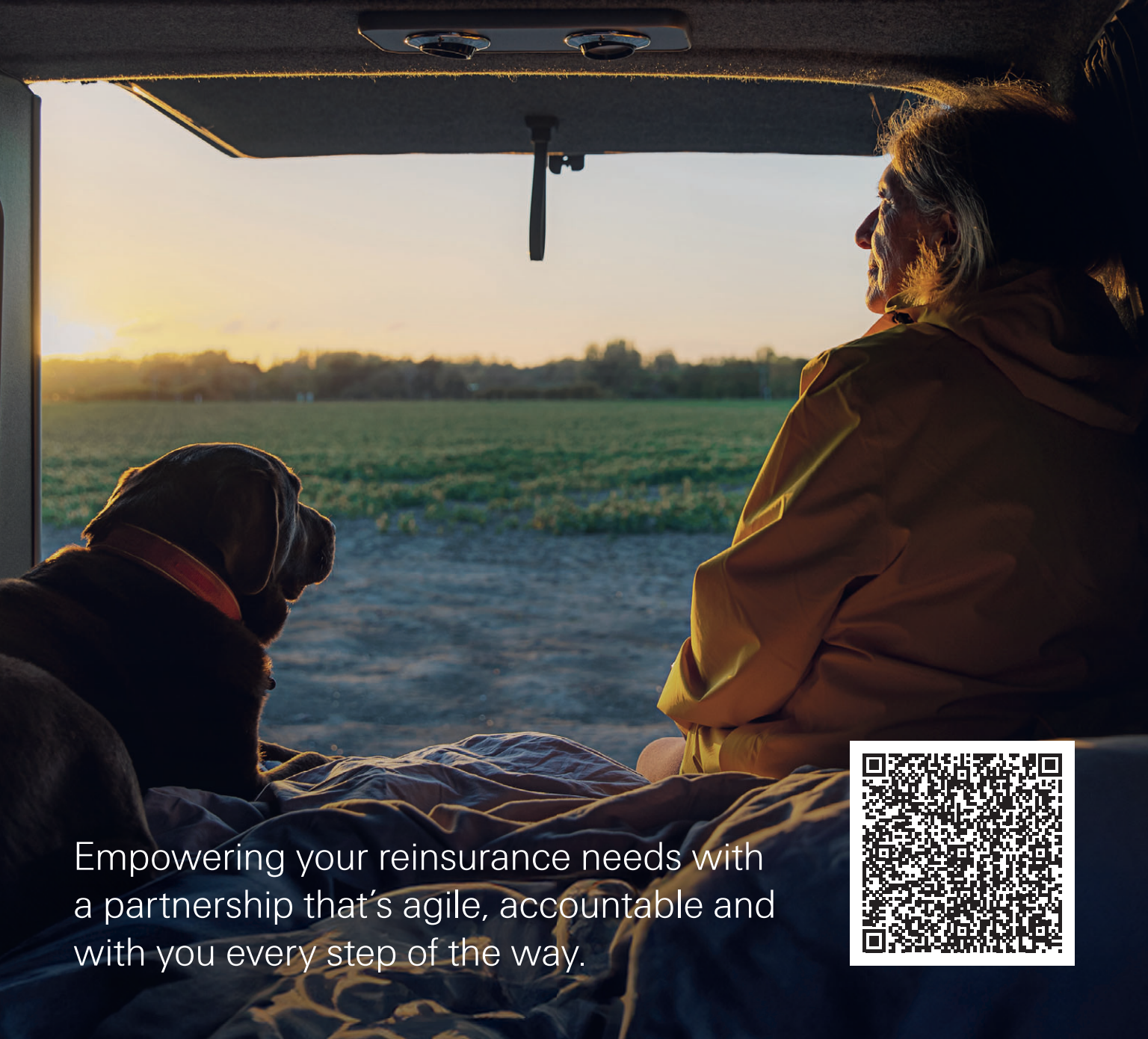
“Generative AI technologies are driving both individual and enterprise-wide adoption, reshaping the insurance landscape.”

Visit the Issues & Answers section at bestsreview.ambest.com to watch an interview with Manish Khetan.

How should insurers approach finding the right platform or sandbox to experiment with generative AI?

Change management is crucial. Insurers must educate employees on evolving roles due to AI adoption to prevent fears of job elimination. Insurers should establish a secure sandbox environment where data remains within the infrastructure, ensuring that sensitive information is protected. User experience is another key factor; a user-friendly platform encourages adoption and reduces resistance to change. Insurers should also ensure the chosen platform can integrate seamlessly with existing systems. Defining clear objectives and success criteria is essential to measure the effectiveness of AI integration.

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Commitment to Resiliency

Neil Sprackling, CEO Life & Health Reinsurance US, Swiss Re, said that coming out of the worst stages of the pandemic, excess mortality stood at around 4%. “That has started to trend down and we expect that to further come down in subsequent years to about 2%,” he said. The following are excerpts of an interview.



Swiss Re

What are some key trends and innovations you and your team are focused on?

One of the key trends we see this year has been the shift in sales. We're seeing a real uptick in sales of annuity products, which is a good thing for the industry and a good thing for the consumer, coming off the back of interest rates at very high levels. The flip side to it is we've seen a little bit of a flattening and almost decrease in the sales of traditional life insurance products. Another thing we're looking at closely is mortality trends in terms of excess deaths. The third area of focus continues to be improvements in the way that we underwrite risk and, in particular, accelerated underwriting. Then the last area I would share with you is what I'll broadly call digital distribution and product innovation for those underserved segments.

What mortality trends are relevant to the life insurers?

Through the pandemic, we saw quite high levels of excess mortality. If we look back into 2023, when you could argue we were largely coming out of the worst stages of the pandemic, we still saw that excess mortality at around 4%. It was quite elevated compared to the norm where we were at back in 2019. As we move into this year, that has started to trend down; however, even in the early months of this year, it was still trending between 2% and 3%. We expect that to come down, over the course of this year and into the subsequent years, to around 2% on average. It's important to understand what the drivers are and some of the causes that are leading to this excess mortality.

What is Swiss Re's value proposition in the life and health reinsurance space?

We actually have a value proposition that sits across all lines of business that we write. That's what we call making the world more resilient. People often associate it more clearly on the property/casualty side when you see large natural catastrophic events, but we had our own situation through the pandemic with COVID. That, in a sense, for the life insurance industry and an organization like Swiss Re, is about making the world more resilient, making sure that we're there to pay out on the promises that we made to the insurers and then, obviously, to the end consumer. From a life insurance point of view, think about us

Neil Sprackling

CEO
Life & Health Reinsurance US, Swiss Re



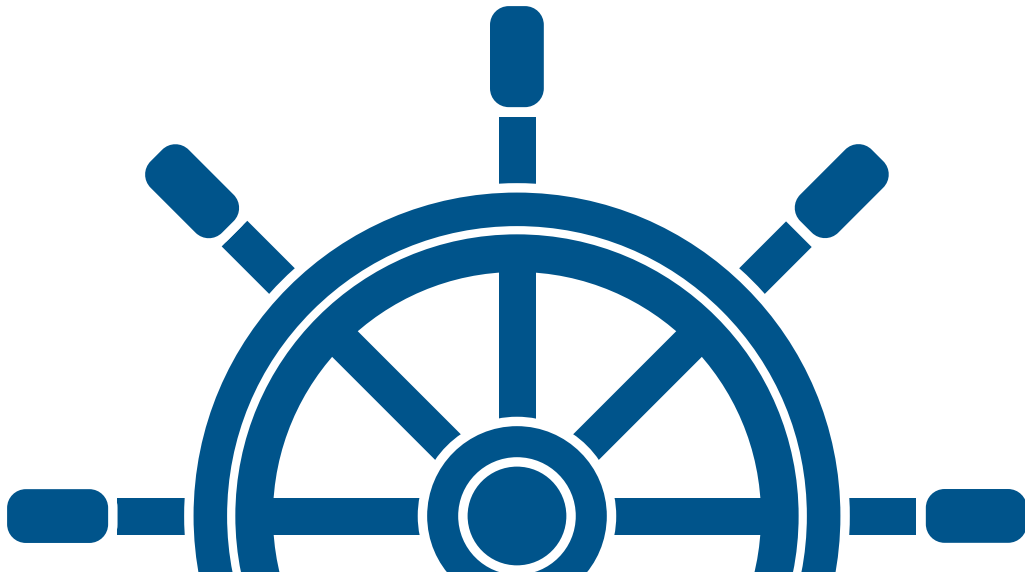
“Our focus has been in solving the protection gap for those who've got too little or no level of insurance cover and don't have easy access to the products that we sell.”

Visit the Issues & Answers section at bestsreview.ambest.com to watch an interview with Neil Sprackling.

as an extension of the life insurance companies. Our value proposition isn't any different. We're there to stand behind those companies and to make those commitments and pay the claims as and when they become due.

Are life insurers grappling with social inflation in the same manner as P/C insurers?

We don't often think about social inflation in the context of life insurance, but this is something we've been looking at over the last six months or so. We do see an increasing trend for life insurance companies to settle cases before they actually get to the litigation point. Our data and analysis would suggest that somewhere around 55% of cases are settled where in fact there are strong grounds for denial of the actual claim. This is ultimately a function of what we would call the unpredictability of court verdicts. In that level of uncertainty, what is the better outcome? Also there's the reduction of time and the cost of that litigation. These can be very long, drawn-out processes. It's a trend that we see increasing.



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ERM for Mutuals

Chris Myers, Enterprise Capital Strategist at New England Asset Management, said risk-adjusted returns and benchmarks can be very effective.

“We often use peer and industry analysis focusing on key risk metrics, such as value at risk, to see how a specific insurer compares to the leaders and laggards in their competitive space,” he said. Following are excerpts from an interview.



How do you approach enterprise risk management within a mutual insurer?

One of the first areas of focus from an ERM perspective is understanding the insurer's risk appetite and risk tolerance. Many mutuals have limits or targets for specific risks, such as probable maximum loss for catastrophe risk. However, a holistic view of risk tolerance where all risks are jointly considered relative to, say, surplus or net income is less common.

Can you explain the importance of stress and scenario testing in the context of mutual insurance?

Stress and scenario testing helps facilitate an understanding of a company's financial sensitivity to extreme events and, if necessary, employ risk management actions to control or transfer exposures that are outside of acceptable risk limits. This also supports identifying capital management strategies, including, say, reinsurance or other risk transfer mechanisms.

How do you integrate the results of stress and scenario testing into your overall ERM framework?

We use our advanced risk analytics suite and financial scenario projection engine to evaluate the potential impact of historic and hypothetical events on a current portfolio and balance sheet. Stress and scenario testing is also used to evaluate the riskiness of potential investment strategies. Understanding the consequences of being wrong is thematic in what we do. Stress testing parameter assumptions and performance expectations is also critical and can help improve both the modeling process and to help level set expectations.

How does the ERM process ensure that the interests of policyholders are safeguarded during times of financial stress?

This relates back to the foundation of any ERM framework, those being risk appetite and risk tolerance. Ideally, these risk preferences are linked to the expectation of policyholders and other stakeholders. ERM frameworks and the models within them should help reduce exposure to extreme events and

Chris Myers

Enterprise Capital Strategist
New England Asset Management



“Period-to-period changes can be very informative for the board, showing how and why stress-testing results and risk metrics evolved over time.”

Visit the Issues & Answers section at bestsreview.ambest.com to watch an interview with Chris Myers.

ought to clarify if the insurer can service claims and remain a going concern if such extreme events were to occur.

What role does regulatory compliance play in ERM and stress testing processes?

Risk-based capital ratios are one way to evaluate mutual insurers' ability to withstand adverse financial stress, but these only provide a partial understanding of financial strength. Some mutuals must file Own Risk Solvency Assessments, or ORSAs, with state regulators. ORSAs provide a tailored perspective of the capital at risk for an insurer. Some of NEAM's analytics, which can include results of stress and scenario testing, can be effective in articulating risk intelligence to regulators within ORSAs or other reporting requirements that they might have.



Minding the Gaps

With many people lacking coverage, industry executives need to work on the balance between selling life insurance and helping with long-term retirement savings, says Neil Sprackling, chief executive officer of U.S. life and health at reinsurer Swiss Re Ltd.

by Terrence Dopp

The life insurance industry likes to focus on its “gaps.”

As in the protection gap: the number of Americans who are either underinsured or lack coverage altogether. Then there’s the retirement gap: a similar quantification of the extent to which people have fallen short of saving for the years after they finally stop working.

In the case of the former, the easy answer is to sell more insurance and penetrate the so-called middle market. In the latter case, life insurers play a crucial part through selling annuities.

But Neil Sprackling, CEO of U.S. life and health at reinsurer Swiss Re Ltd., said there’s a very real danger the life and annuity industry focuses too hard on one area to the detriment of the other.

“In a way, I think the industry can get a little schizophrenic,” he said. “Not deliberately, but if

you think about the protection gap—the level of underinsurance we’ve got—we’ve been talking about that and this market for 20 years. This is not a new concept.”

Life Happens, an industry group that focuses on the importance of life insurance in financial planning, recently noted a record-high 42% of American adults—102 million people—said they either lack life insurance or need more. Meanwhile, consultancy Deloitte pegged the shortfall in retirement savings at a collective \$3.68 trillion.

During the COVID-19 pandemic, life insurance sales rose, with much of that attributable to instant-issue policies with lower face amounts, Sprackling said. Since the close of the public health emergency, the industry has spent much of its time on a pivot toward selling annuities that grew more popular as interest rates rose.

“The ideal situation would be to have the two things moving in tandem,” he said. “The trouble is, when interest rates are low, interest-sensitive

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“In a way, I think the industry can get a little schizophrenic. Not deliberately, but if you think about the protection gap—the level of underinsurance we’ve got—we’ve been talking about that and this market for 20 years. This is not a new concept.”

Neil Sprackling
Swiss Re Ltd.

products like annuities are always going to be challenged. That’s just a reality. But now that we’re in a much different interest rate environment ... we should see that momentum remain.”

Life insurance premiums from life savings products will increase by as much as \$1.5 trillion in the coming decade, dwarfing growth in the years after the financial crisis marked by low interest rates, Swiss Re said in a recent report.

Premium growth for the products totaled just \$300 billion from 2010 to 2019, according to the report, *Life insurance in the higher interest rate era: Asset-savvy is the new asset-light*. Savings premiums are projected to reach \$4 trillion by 2034, the report found.

From a business perspective, the impetus to pour resources into an area on the rise is understandable, Sprackling said. But the industry has a vested interest in figuring out how to grapple with both problems at once, he said.

The seesawing pattern can be discerned in two recent reports from industry group LIMRA, which tracks both markets.

Total U.S. life insurance new annualized premium of \$3.76 billion dropped 1% in the first quarter, compared with the same period a year earlier, as falling whole life sales offset gains across products, according to LIMRA.

The industry group found the total number of

policies sold also dropped 1% in the first quarter from 2023 levels, according to LIMRA’s *U.S. Life Insurance Sales Survey*.

In the same time frame, total first-quarter U.S. annuity sales of \$113.5 billion increased 21% above the previous year’s quarter, according to preliminary results from LIMRA’s *U.S. Individual Sales Survey* for the period.

The sales marked the highest-ever recorded first-quarter results since the industry group began tracking sales in the 1980s, it said in a statement.

“We have a responsibility to fill both gaps: the protection gap and the retirement gap. Not one or the other,” Sprackling said. “There’s a sort of unintended consequence of higher interest rates, which is generally very good for the life insurance industry; but if you look at sales on the protection products, they’ve gone in the opposite direction.”

To remedy the situation, Sprackling suggested the industry—including distributors in particular—offer clients regular reminders of the importance of protection products, and that it doesn’t become an issue of one or the other.

“They’re both as important,” he said. “The number doesn’t really matter too much—they’re both large and there’s plenty of potential for the insurers to lean into this and including companies like us as reinsurers.”

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Mortgages 90 Days Overdue Double, Drawing Investor Concern: AM Best

U.S. life/annuity insurers expanded their allocations to mortgage loans in 2023 by more than 6% to \$734.2 billion, according to a recent Best's Special Report. Problem loans are a growing sliver of most investment portfolios.

Editor's Note: The following is an edited version of a recent Best's Special Report titled *Mortgages 90 Days Overdue Double in 2023*. Visit www.ambest.com to access the report.

Principal Takeaways

- Mortgages that are 90 days overdue doubled and drove the increase in problem loans.
- Mortgages in foreclosure rose 63% from 2022. Office and residential properties account for the largest share of problem loans relative to insurers' total portfolios.
- Multiunit, residential and industrial property loans combined for over 70% of new acquisitions in 2023.

Life/annuity insurers continued to increase allocations to commercial mortgage loan (CML) portfolios in 2023. However, problem loans (those 90 days overdue, restructured, or in foreclosure) again rose sharply in 2023. According to an audience poll taken at AM Best's annual Review & Preview conference in March 2024, nearly two thirds (64%) of insurance company executives say commercial mortgage loans are the investment class they are most concerned about—significantly more than collateralized loan obligations (CLOs) (13%), commercial mortgage-backed securities (CMBS) (13%) and private bonds (9%).

Mortgage Growth Driven by Three Property Types

U.S. L/A insurers continued to expand their

allocations to mortgage loans in 2023, by more than 6% to \$734.2 billion. Mortgages now account for 13.5% of L/A insurers' investment portfolios. New acquisitions were fueled largely by multiunit (28%), residential (26%), and industrial property loans (18%), accounting for over 70% of new acquisitions in 2023. No other property type accounted for more than 10% of new acquisitions. CMLs are expected to remain at their current allocations given the relative attractiveness of fixed income because of higher interest rates. In the CML portfolios, companies will continue to shift to more stable CMLs such as industrial, although industrial properties tend to generate lower yields.

Problem Loans Continue To Climb

Yields rose in 2023, but so did the number of problem loans, which had risen steadily since 2020 and were up by nearly 44% in 2023. The total amount of mortgages 90 days overdue doubled, while those in the process of foreclosure were 63% higher than in 2022. The number of restructured loans has also been elevated the last two years. Still, problem loans account for less than 1% of insurers' mortgage loan portfolios and less than 1.5% of capital & surplus for the industry as a whole.

In 2023, problem loans accounted for more than 10% of mortgage portfolios at three companies: Best Meridian Insurance Co., 70.4%; Cooperativa de Seguros de Vida de PR, 56.5%; and Advantage Capital Life Group, 16.5%. Commercial mortgage

loans accounted for most of Best Meridian's and almost all of Advantage Capital Life Group's problem loans. In contrast, 100% of Cooperativa de Seguros de Vida's problem loans were residential. Additionally, commercial loans accounted for 70% of the top 15 companies' problem loans, versus residential loans, 26%, and farms, 4%. Problem loans accounted for more than 10% of C&S at only 13 companies in the entire industry.

Office & Residential Drive Problem Loans

Industrial loans have performed very well, unlike office and residential properties, which account for the largest share of problem loans relative to insurers' total portfolios. Residential properties comprise just 8.8% of mortgage loan portfolios but accounted for 36% of loans 90 days overdue, 21% of restructured loans, and 26% of those in foreclosure. Some residential mortgages are insured or guaranteed by governmental agencies if the homeowner defaults, but few of the residential problem loans are. Rising interest rates, and in some areas, the rising cost of insurance, has negatively impacted the debt service coverage for some borrowers.

Office properties account for more than a quarter of overdue loans and those in foreclosure, and almost half of those that have been restructured, but constitute just 17% of total mortgage portfolios. Office loans have recently faced headwinds due mainly to the impact of the pandemic and more people working remotely either full time or on a hybrid schedule. Many companies have downsized their office footprints, with larger metro areas seeing

"Location is critical, but recently established buildings fitted with current technologies, as well as older buildings that have been modernized, are more appealing and provide better liquidity than outdated properties."

AM Best

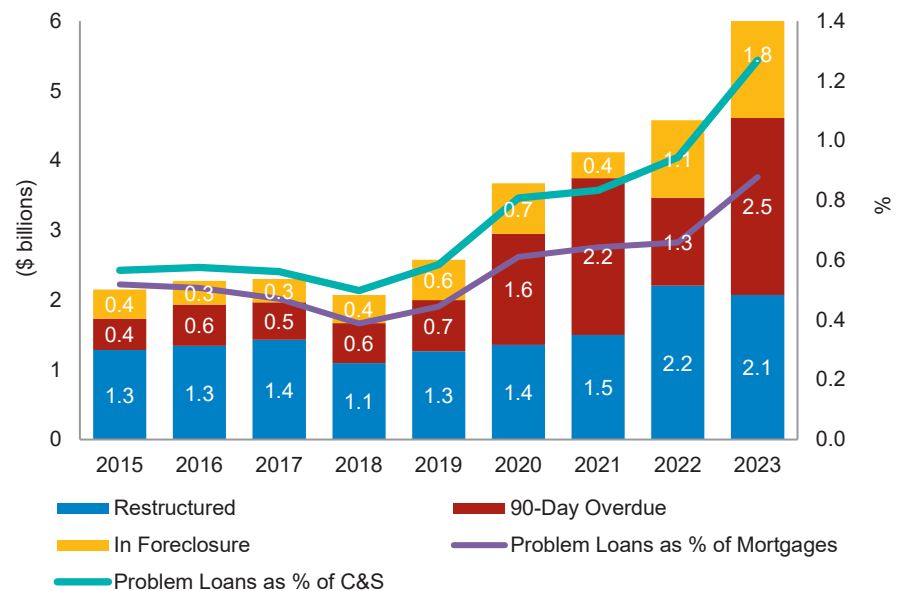
a larger negative impact. Demand for even best-in-class properties has fallen since the shift to more hybrid working environments, signaling continued pressure ahead. Mixed-use properties account for a large majority of "other" overdue mortgages but for less than 2% of mortgage portfolios.

Location, Location, Location

Location is critical, but recently established buildings

fitted with current technologies, as well as older buildings that have been modernized, are more appealing and provide better liquidity than outdated properties. In rare cases, office buildings can be repurposed as medical labs and residential but the build-out can be cost-prohibitive, and building designs make for wasted space. Fifteen states account for more than 80% of the problem loans held by L/A insurers. New York state accounts for the largest share of problem loans (16%), while the District of Columbia has the widest disparity, accounting for nearly 13% of problem loans but less than 2% of insurers' mortgage portfolios. Other states with

Problem Mortgage Loans



Source: **BESTLINK**

outsized shares of problem loans include Illinois, Washington, Missouri, Pennsylvania and Minnesota.

Underlying Metrics Continue To Deteriorate

The quality of mortgages in good standing continued to deteriorate in 2023, as economic conditions impacted debt service coverage and loan-to-value (LTV), resulting in “fallen angels”—loans migrating down the credit scale. This trend is likely to continue until the market becomes more stable as a result of interest rates and loan maturity. The share of investment-grade mortgages (CM1 or CM2) has declined more than 10 percentage points since 2015, to 76%. Companies sought to improve portfolio LTV during the pandemic by seeking higher-quality and better LTV on new issuances. However, rising interest rates lowered valuations, especially in the office sector, which has dragged credit quality down. The share of mortgages with LTVs above 70% has been elevated the last four years and jumped nearly 6 percentage points from 2022 to 2023. Cash flow from commercial mortgage loans can fluctuate depending on vacancy rates and market conditions, impacting borrowers’ ability to pay down their loans. LTV is likely worse than reported as companies do valuations at different times. Many larger companies do

valuations on a quarterly basis, but others may update annually, or even just at origination.

Insurers can extend a loan’s maturity date to allow the borrower more time to repay the principal, but underlying financial difficulties may just delay additional delinquencies. About 17% of the industry’s CML portfolios will mature by year-end 2025, including roughly a quarter of office properties. For those with CML portfolios exceeding \$100 million, 23 companies have portfolios where more than one quarter are maturing by the end of next year. For seven of them, it equates to more than their capital position.

Among companies with sizable mortgage loan portfolios, SILAC Insurance Group has the largest share of commercial mortgages with LTVs above 70%. The company’s mortgage portfolio has a little over \$800 million in assets, of which approximately \$760 million (93%) are commercial loans with LTVs of 71%-80%. MetLife and TIAA have two of the largest mortgage portfolios in the L/A industry; around 35% of their commercial mortgages have an LTV of 71% or higher.

AM Best will continue to monitor the stresses in the commercial mortgage loan market, the performance of portfolios, and impacts on the capitalization of rated companies.

BR

Update: The chart below has been updated. The chart’s title has been changed to “Largest Problem Loan Exposures (Excluding Insured or Guaranteed).” The heading of the first column has been changed to Problem Mortgage Loans (Excl. Insured or Guaranteed). In the updated chart, Oceanview Life and Annuity Co places 10th on the list and Auto-Owners Life Insurance Co now places 12th on the list. Information in the columns has been updated. The new chart is below.

Largest Problem Loan Exposures (Excluding Insured or Guaranteed)

AMB#	Company Name	Problem Mortgage Loans (Excl. Insured or Guaranteed)						Total Mortgage Loans		
		% of Mtg Portfolio	Amount (\$ mm)	% 90-Day Overdue	% in Fore-closure	% Re-structured	% of C&S	2023 Mtg Loans (\$ mm)	Mtg Loans % of Invested Assets	Mtg Loans/ C&S (%)
060007	Best Meridian Insurance Co	70.4	25.7	85.4	14.6	0.0	40.6	36.5	11.3	57.9
007607	Cooperativa de Seguros de Vida de PR	56.5	1.4	37.0	63.0	0.0	5.3	2.4	0.5	9.4
070486	Advantage Capital Life Grp	16.5	86.5	97.4	2.6	0.0	30.6	523.8	9.3	185.5
069195	Tokio Marine US Life Grp	5.9	509.8	85.3	14.7	0.0	15.9	8,687.0	35.9	270.4
070463	Everence Fraternal Grp	4.8	4.1	0.0	0.0	100.0	4.0	85.2	22.2	83.2
069824	Aflac U.S. Grp	4.6	75.0	40.4	59.6	0.0	2.3	1,643.2	9.6	49.4
006534	Homesteaders Life Co	4.2	11.8	0.0	37.5	62.5	6.1	282.3	7.6	145.7
070518	SILAC Insurance Grp	3.7	30.4	100.0	0.0	0.0	7.2	827.2	8.2	194.7
068090	American Century Life Insurance Co	3.0	1.9	23.0	77.0	0.0	13.3	62.7	39.5	436.8
060701	Oceanview Life and Annuity Co	2.7	82.7	90.4	5.5	4.1	13.3	3,080.0	41.9	499.6
070194	Equitable Life Grp	2.7	330.2	15.2	33.8	51.0	5.3	12,219.6	19.1	195.4
006140	Auto-Owners Life Insurance Co	2.5	7.9	0.0	0.0	100.0	1.4	322.5	8.9	55.1
070410	Liberty Bankers Insurance Grp	2.4	19.6	37.7	62.3	0.0	5.9	802.6	22.4	241.1
006616	Knights of Columbus	2.3	13.5	81.1	18.9	0.0	0.5	581.9	1.9	20.5
070465	Trinity Life Grp	2.3	6.0	64.8	35.2	0.0	33.6	266.2	45.6	999.9
Top 15		4.1	1,206.5	62.2	22.0	15.8	8.3	29,422.9	17.2	160.9
Industry Total		0.8	6,080.5	37.9	28.2	33.9	1.4	732,773.7	13.7	144.2

Source: 



ICMIF Executive Anticipates Microinsurers, Improving Regulatory Climate Boosting Mutuals Globally

Liz Green, CEO designate for the International Cooperative and Mutual Insurance Federation, says she anticipates the additional growth of insurers owned by policyholders amid an improving regulatory climate and innovative approaches in emerging markets.

by William Borden

Mutual insurers have unique growth opportunities worldwide, especially in emerging markets where microinsurance can take hold and countries may reform laws to open the market to insurers owned by policyholders, the incoming chief executive officer of the International Cooperative and Mutual Insurance Federation says.

ICMIF's research on the global mutual sector, presented in the report *Global Mutual Market Share 2024*, found that in 2022 mutual and cooperative insurers had approximately 26% of the world's insurance market share in 2022. This represents \$1.41 trillion in premium income—covering 889 million members and policyholders worldwide—

The Mutual Insurance Special Section is sponsored by Pennsylvania Lumbermens Mutual Insurance Co.

with about \$10 trillion in total assets, with the vast majority in Europe and North America, according to the report.

Liz Green, who is the U.K.-based membership association's CEO designate, becomes chief executive in November after Shaun Tarbuck retires after 20 years at the helm. As mutuals increase their worldwide footprint, she says she aims to propel the organization's growth, which presently has more than 200 member companies in 56 nations worldwide.

She said she hopes to help her rising number of

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members leverage their mutual status as a strategic enabler. While doing that, ICMIF must remain actively apolitical in what is a polarized political environment as several countries face fiercely contested elections, she said.

“We don’t take a political stance, but we do say you need to be recommended [for membership],” said Green, who has been with ICMIF since 2012 and spent most of her career at U.K.-based mutual insurers.

“It’s my job to keep us relevant for the future,” Green said. “I certainly will because I’m standing on the shoulders of my predecessor, Shaun Tarbuck, who’s done an incredible job. So my task now is to take us to the next level and I’ll do everything in my power to do that.”

Green also faces a turbulent insurance industry confronted with multiple strategic challenges and whose executives may be tempted by converting to stock ownership. However, she is optimistic that the opportunities and innate strengths of mutual insurance leaders, as well as their propensity to share their strategies in a non-competitive global

environment, give ICMIF the conditions to help mutuals address evolving strategic challenges.

An edited transcript of the interview follows.

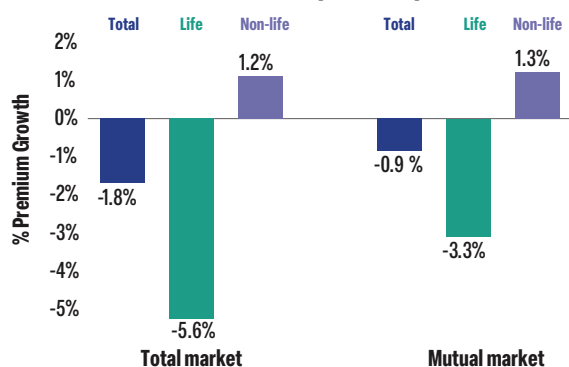
What makes a good mutual?

So a great mutual for us has a number of qualities. First of all, it will be a purpose-led organization where the leadership is focused on the long-term benefits of all its stakeholders. These organizations typically will have the members as a key part of their stakeholder group, but they’ll also equally give resonance and appreciation and concern for the local community and for their employees. They will also have a strong relationship with their government, with their governance and, if it’s relevant, with the unions. They are people-first organizations.

Thinking long term is, therefore, key for a modern mutual. They are responsible with their members’ money and they will be very concerned about where that money is put. So you’ll see them caring about investing in more responsible investments.

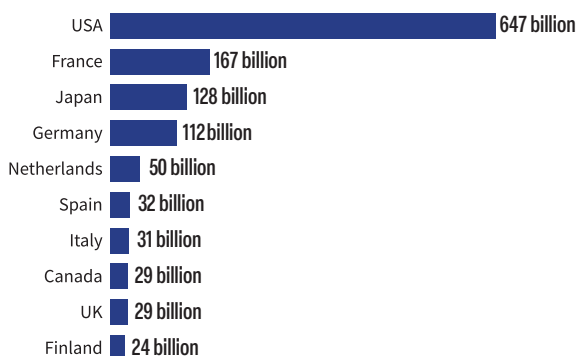
We’ve been doing some measurements around that, seeing which of our mutual members are investing in sustainable investment frameworks. Ninety-five percent of our members’ assets now that are investable are invested in some kind of framework that is sustainably recognized. So mutuals are generally resilient and sustainably minded. And those things all add up to being a modern, successful mutual.

Annual Premium Growth (2021-22)



Source: ICMIF Global Mutual Market Share 2024.

Largest Markets by Mutual Premium Income in 2022 (USD)



Source: ICMIF Global Mutual Market Share 2024.

Where are the biggest opportunities for mutual insurers to grow by region?

When you look at the top 10 countries in terms of [mutual] growth in the world, Europe continues to see amazing growth especially in the likes of Finland, Netherlands, Germany, France, Slovakia and Norway.

Although Latin America isn’t larger in terms of growth and penetration, you’ve got certain countries there, including Panama, Costa Rica, Chile and Peru, that are all growing, most notably on the P/C side. We’re having some really good conversations with regulators as well about improving the law.

And, of course, the USA obviously is huge and offers considerable scope for growth. And I know that certainly on the P/C side, you’ve got NAMIC

[National Association of Mutual Insurance Companies], which does incredible work there to support its members, particularly through advocacy.

The countries where there's very low mutual penetration happen to be two of the largest and the fastest-growing markets for insurance in the world, which are China and India. We work closely with the United Nations Development Programme, which is focusing on scaling up microinsurance [as part of its anti-poverty efforts] and the Insurance Development Forum to curate public-private partnerships to tackle these challenges.

Do you see broader cross-border national opportunities for mutuals?

There is definitely a growing interest in this kind of diversification. So particularly when I speak to our French members and equally in Canada, there is an appetite for collaboration. Obviously cross-border regulation is potentially the biggest challenge as is the need to demonstrate good value and good cover for these customers.

The majority of mutuals around the world are not multinational organizations and only operate in just one country. However, as far as those top 10 largest mutuals, about five or six of those have international interests. The medium-sized ones are more looking for strategic collaborations,

maybe more sharing, best practice, peer-to-peer consultancy, kind of figuring it out just by learning from each other.

But definitely there's a desire to work together within our global network—in Latin America, for example, on the reinsurance side and they have the Latin American Reinsurance Group. Since 2004, this group, with support from a variety of reinsurers, has pooled all their assets together to buy reinsurance. We are now seeing recognition for the LARG business model across the world, with the group being cited as a respected example of a best practice organization in many international industry publications and studies.

With digital transformation becoming part of that insurance business, how do you see this affecting mutuals and what's the difference between that and how stock-based companies might be approaching technology?

In this regard, mutuals have the same challenges in many ways as stock companies have.

The pace of technological evolution and what it means to be customer-centric, and that speed of change for the customer is difficult for any organization. For an insurer, it's very difficult. And it's the same for a mutual.

In a recent study we asked this very question to our members about what's the difference, particularly



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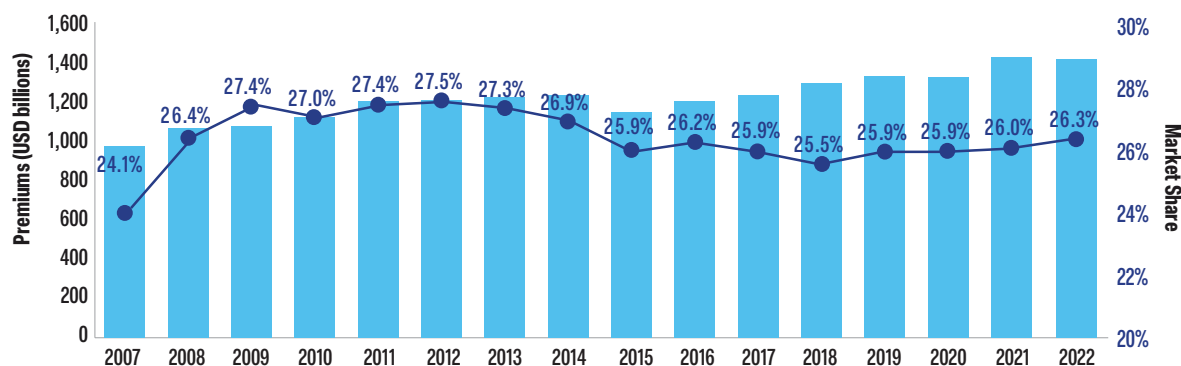


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Global Mutual Premiums and Market Share



Source: ICMIF Global Mutual Market Share 2024.

with generative AI coming in. We established that mutual insurers often excel due to their customer-centric approach, driven by the loyalty and shared ownership of their members. Without shareholder distraction, they're able to make long-term decisions about using this technology and what the purpose of the technology is—with a focus on improving things for the customer rather than to improve things for the organization.

How does that fit into the equation when you're doing microinsurance in some of the emerging markets?

A really good example of that is in the Philippines. There's a superb organization called CARD Mutually Reinforcing Institutions, which is a global leader in the microinsurance industry. CARD's brilliant suite of very, very simple life products [is] designed to meet the protection gap, and they have managed to reach 26 million people using technology, using very basic, phone-based technology.

The way that they achieve this—and the reason that they don't need to have a highly sophisticated financial system to lean on—is that the model is sustainable, scalable and affordable. You could get these products on your phone, but you can also get it in your supermarket.

Their main concern is people who are out in the very rural areas. If somebody gets ill on their farm and they can't farm, it could be literally life or death for the family. So being able to provide them with a trusted, simple product that pays out quickly is exceptionally important.

Just socializing this type of insurance model

and showing why it works and how we could scale this up all over the world is something that I'm really committed to doing.

How can you help mutual insurance executives avoid the temptation to convert to stock-based ownership?

Our job is to amplify the benefits of mutuality as seen through the lenses of different parts of the world. The whole demutualization theme can come up in board conversations and that needs exploring. One of the things that we do is we work really closely with boards to help evaluate the case for remaining mutual.

Occasionally, board members or executives can come in with a romanticized notion of what demutualization could look like: "We'll get all this money and we'll be able to raise capital, etc." But our research has shown that whilst there can be short-term gain, those benefits really start to dip over time as does the value to the policyholder. So very few of these demutualizations have really ever come to a happy ending. In fact, what we've seen is a number of re-mutualizations and a number of abandoned demutualizations because members don't just want it.

Most mutuals tend to be national or, in the U.S., can be state-based. They understand their regional/local risk and they understand what's on the members' minds. Demutualization can threaten that. So losing that sense of purpose can be a real challenge to the demutualization business case.

How do you see your role at ICMIF

evolving in the coming years? How do you see mutual insurance evolving in emerging markets?

Well, ICMIF was created more than 100 years ago. And our purpose originally was about pooling risk. We soon realized that as predominantly national/regional carriers, together we're stronger so let's create a peer-to-peer learning environment.

What unites these different organizations from around the world is our belief in the mutual concept; the power of purpose; and the sustainable role that we can play in communities and the long-time care and trust that we can offer. And I really believe today's consumer wants more of this.

I would love to see more microinsurance mutuals all over the world. I'd love to have more airtime with regulators in the 55% of emerging countries that don't have mutual-friendly laws

"We established that mutual insurers often excel due to their customer-centric approach."

Liz Green

International Cooperative and
Mutual Insurance Federation

at the moment. I think that's something that we need to pay attention to. And we have been doing work on this over the years, but now is the time to ramp that up.

I think that joining the dots with other mutually-focused associations is really important as well. 2025 is the UN International Year of Cooperatives [including

mutuals]. It's a great year for associations all over the world to collaborate together. If we can't collaborate, then how can we expect our members to collaborate? So perhaps it's time to align our narrative about mutuality.

And ICMIF is going to evolve and adapt and continue to pivot just as we have done for more than 100 years. This agility and closeness to our members has never been more important than now, because the world is changing so fast and change isn't waiting for anyone.

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AM Best's Reinsurance Market Briefing - Rendez-Vous de Septembre

When: September 8, 2024 | **Where:** Hôtel Hermitage, Monte Carlo, Monaco

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NAMIC Chief Executive Officer: Mutuals Strive To Maintain Mission, Identity Amid Economic Challenges

Neil Alldredge, president and CEO of the National Association of Mutual Insurance Companies, discusses how mutuals have tried to maintain strong community connections while they face decisions about rates and potential economic and regulatory pitfalls.

by Anthony Bellano

Mutual insurers have prided themselves as being the local insurer that takes a conservative approach to rates. That approach has been changing, however, given the challenges posed by

economic and social inflation, said Neil Alldredge, president and chief executive officer of the National Association of Mutual Insurance Companies.

Even so, Alldredge said he believes mutual insurers must maintain their strong connection to communities—particularly since the owners are the policyholders—even if their priorities change. As

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economic challenges have led mutuals to consider more aggressive rate actions, he believes they must maintain their unique identity that gives them an advantage.

“We’re the farm-to-table of the financial services industry,” he said. “These are Main Street companies. That connection to their communities is very strong. You see more companies beginning to identify themselves that way, and trade on that.

“It’s a combination of the pandemic issues, and even going back to the financial crisis, and just what you see in the social consciousness of the country,” he said. “People want to buy local, organic whatever it is. You have your local beer. You have your local farmers market. You’ve got your local mutual insurance company. That sort of fits with the social thinking today, and I think you see companies beginning to respond to that.”

Allredge recently spoke about the challenges mutuals face, including legislative hurdles and marketplace pitfalls, and discussed how mutuals can navigate the rate environment and still succeed. Following is an edited transcript of the interview.

What challenges that mutuals were facing last year continued into this year?

We continue to see this broad combination of events. The inflationary pressures are still there. The general economic conditions being what they are. Challenging weather patterns. A litigation environment that is getting more complex by the day. Reinsurance issues. This new era of risk is affecting all insurers, and mutuals particularly. Mutuals are in a lot of personal lines.

Our members write almost 70% of the homeowners market and nearly 60% of the auto market. Those lines of business are where all the inflationary pressures have been. Mutual companies tend to write in Midwestern states and New England, where you also see weather patterns changing. So, in addition to the broader factors that are affecting everybody in the industry, you see a heavier focus on the mutual companies’ performance based on what and where they write.

According to an AM Best report, mutuals are pursuing aggressive rate changes. How does that fit with the traditional role of mutuals?

It’s a bit of a departure in the sense that one

of the real strengths of mutual companies is that they’ve got decades, if not centuries, of experience of how to deal with these things.

They also have the benefit of building capital over that period. They are able to take a long-term view, and historically that may have meant they took a more conservative approach when it came to rates. That is probably different now, in part because the economic conditions and the inflationary pressures have changed so fast in such a dramatic way. Insurance pricing in general lags. The price you’re seeing today for homeowners or auto insurance is in many states reflective of changes in the cost of repairs or whatever the case might be from 18 months ago. They had to file for rates, get it approved, have it work through their book of business, and it’s just a slow process.

The same AM Best report states, “Mutual companies are relying more and more on their own capital to protect them in the event of a large loss—a departure from the past, given the limited avenues available to mutuals to access capital.” Discuss this shift in mindset.

This is where you see changes in the reinsurance market. In the beginning of 2023, capacity shrunk, reinsurance pricing went up, and the terms changed a lot. You had to retain more of the losses. You also saw the results from 2023 for most reinsurers to be particularly good. That continues to be the case into this year. Most people think the pricing capacity questions are going to loosen a bit in the reinsurance market.

In the short run, mutuals have had more of their own capital in the form of surplus exposed because of the changing terms in the reinsurance market. That’s changing. If you talk to most reinsurers, pricing is one thing, and that may not change substantially. But there certainly seems to be more capacity in the reinsurance market, which should affect the terms and retention rates for primary companies.

What is the current identity of the mutual industry?

One thing is that 15 years ago, mutual companies didn’t talk about being mutual companies very much. It wasn’t something they traded on in the

marketplace. There are national carriers, but certainly more regional and midsize carriers talking a lot more about their mutuality now. That connection to the policyholders, that reason for their existence becomes much more of an identity for them.

There was the thought that it was too complicated to explain, and nobody cares about the corporate structure of their insurance company. A lot of companies have learned that this is a differentiator. We're the farm-to-table of the financial services industry. These are Main Street companies. That connection to their communities is very strong. You see more companies beginning to identify themselves that way, and trade on that.

It's a combination of the pandemic issues, and even going back to the financial crisis, and just what you see in the social consciousness of the country. People want to buy local, organic whatever it is. You have your local beer. You have your local farmers market. You've got your local mutual insurance company.

That sort of fits with the social thinking today, and I think you see companies beginning to respond to that.

What are some of the other changes you've seen, and when you get through these hurdles and challenges, will mutuals look the same as they did five or 10 years ago?

The biggest change we've seen in the last 18 months or so has been the pace of consolidation, particularly in the smaller segment. The number of small companies continues to shrink. They merge with each other. Last year, there were 34 mergers. This year, we're at 67.

If you took the five years prior to that, you'd probably have an average of seven or eight a year. You end up with companies that are financially stronger, larger, able to withstand more. You'll see companies that are financially stronger because they

"They are able to take a long-term view, and historically that may have meant they took a more conservative approach when it came to rates. That is probably different now, in part because the economic conditions and the inflationary pressures have changed so fast in such a dramatic way."

Neil Alldredge
National Association of
Mutual Insurance Companies

will have better pricing.

You see some of the line of business changes. We'll focus more on commercial lines or whatever the case might be, so you'll see some changes there, but in the long run, the mutual industry will be here and continue to serve the interests of its policyholders.

What are some of the regulatory hurdles mutuals currently face? What proposed and pending legislation do you have your eye on?

The rate-making process in certain states is better than others. California, New York and New Jersey lead the way

in the slow, hard-to-get category, and their markets are reflecting that. They are beginning to change.

They certainly are approving rate increases in those states, probably not at the rate people would like them to. You also see some positive, guarded optimism in California, with some of the proposed changes around allowing insurers to use their reinsurance cost in their rate-making. You couldn't do that before. There are some efforts to do that now by changing regulation in California. Same thing on the use of catastrophe models.

Obviously, the fire risk in California is a lot different today than it was 20 years ago. Being able to model that and use that in their pricing is going to help insurers have a better picture of what their risk looks like.

Which specific pieces of legislation are you looking at at the federal level?

For third-party litigation funding, there's a couple of good bills at the moment in Washington. One would prevent sovereign wealth funds, like a foreign government, from investing in lawsuits. It's a nefarious practice and something most people agree we shouldn't allow in our litigation system. There's a good bill that would prevent that. It goes along with transparency, just having to disclose that a third-party lender is involved in the case. There's bipartisan support.

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Best's Rankings**Top 25 US Property/Casualty Mutual Writers – 2024 Edition**

Ranked by 2023 net premiums written.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Net Premiums Written	% Change
1	1	State Farm Group	000088	\$92,601,744	19.1
2	2	Liberty Mutual Ins Cos	000060	40,474,845	4.6
3	3	Nationwide P&C Group	005987	19,117,900	-1.7
4	4	Amer Family Ins Group	000124	16,525,079	17.2
5	5	Auto-Owners Ins Group	004354	12,735,800	19.0
6	6	FM Global Group	018502	6,442,765	21.3
7	7	Sentry Ins Group	000086	3,551,019	10.3
8	8	COUNTRY Financial PC Group	000302	3,068,832	13.0
9	9	Amica Mutual Group	018522	2,615,734	12.6
10	11	Westfield Group	000730	2,607,732	16.4
11	10	Shelter Ins Cos	000598	2,586,588	14.8
12	14	Acuity, A Mutual Ins Co	000468	2,482,183	18.1
13	12	Federated Mutual Group	004284	2,446,498	13.9
14	13	EMC Ins Cos	000346	2,223,236	4.8
15	15	Alfa Ins Group	000106	2,034,151	20.6
16	16	Farm Bureau P&C Group	004233	1,919,214	16.9
17	17	TN Farmers Ins Cos	018154	1,829,928	13.6
18	20	Texas Farm Bureau Ins Group	018754	1,793,361	25.1
19	18	State Ins Fund WC Fund	004029	1,711,534	9.3
20	19	Utica Natl Ins Group	004202	1,559,994	7.3
21	21	Grange Ins Pool	003917	1,529,586	8.7
22	23	North Carolina Farm Bureau Ins Group	018279	1,463,570	23.9
23	22	KY Farm Bureau Group	003281	1,330,140	11.4
24	26	Encova Mutual Ins Group	018236	1,284,440	10.9
25	24	CUMIS Ins Society Group	018704	1,267,061	8.5
Top 25 U.S. P/C Mutual Writers				\$227,202,934	13.2
Total U.S. P/C Mutual Writers				\$274,635,642	12.2
Total U.S. P/C Industry				\$864,029,286	10.4

Note: Data for some companies in this report has been received from the NAIC.

Source:  Statement File - P/C, U.S.; data as of July 24, 2024.**Best's Rankings****Top 25 US Life/Health Mutual Companies – 2024 Edition**

Ranked by 2023 total net admitted assets.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Total Adm. Assets	% Change
1	1	New York Life Group	069714	\$423,395,104	4.5
2	2	Massachusetts Mutual Life Group	069702	381,186,516	4.8
3	3	Northwestern Mutual Group	069515	358,943,336	5.4
4	4	Nationwide Life Group	070350	241,197,803	11.8
5	5	Pacific Life Group	069720	203,184,550	8.5
6	6	Guardian Life Group	069685	96,908,541	5.5
7	7	State Farm Life Group	070126	94,689,519	4.3
8	8	Western & Southern Finl Group	069754	70,696,838	10.1
9	9	Securian Finl Ins Group	069565	64,666,357	7.1
10	10	Oneamerica Group	070399	48,592,673	11.0
11	11	Mutual of Omaha Group	070203	48,502,700	13.5
12	12	Penn Mutual Group	069722	42,841,670	10.1
13	13	Natl Life Group	069953	42,223,670	13.6
14	14	CMFG Life Group	070262	35,322,194	7.4
15	15	Ameritas Life Group	069790	28,948,029	7.4
16	16	Mutual of America Group	070619	24,104,799	0.1
17	17	Sentry Life Ins Group	070125	9,851,537	12.0
18	18	Natl Guardian Life Ins Co	006777	4,930,643	2.8
19	19	Physicians Mutual Companies	070615	4,379,432	1.0
20	20	Pan-Amer Life Ins Group	069617	4,129,458	0.3
21	21	Homesteaders Life Co	006534	3,862,380	6.1
22	22	Savings Bank Mutual Life Ins Co of MA	006696	3,525,137	-1.9
23	23	Security Mutual Life Ins Co of New York	007034	3,148,615	2.8
24	24	Wellabe Group	070369	3,016,038	3.8
25	25	Trustmark Group	069807	2,258,886	6.0
Total Top 25 U.S. Life/Health Mutual Companies				\$2,244,506,425	6.7
Total U.S. Life/Health Mutual Companies				\$2,256,687,516	6.7
Total U.S. Life/Health Industry				\$8,741,258,604	5.7

Note: Data for some companies in this report has been received from the NAIC.

Source:  Statement File - L/H, U.S.; data as of July 23, 2024.

Best's Rankings**US Life/Health – Individual Life Average Policy Size and Lapse Ratios – 2024 Edition**

Ranked by 2023 individual life business issued.

(\$ Thousands)

2023 Rank	Company/Group	AMB#	Individual Life Issued	Average Policy Issued	Average Policy In Force	Lapse Ratio Published	Renewal Premium Persistency
1	Northwestern Mutual Group	069515	\$190,994,756	\$574	\$361	3.5	94.1
2	State Farm Life Group	070126	117,099,349	158	134	5.4	93.5
3	Primerica Group	070183	108,072,616	326	303	8.7	91.1
4	New York Life Group	069714	102,368,014	392	242	4.4	93.3
5	Massachusetts Mutual Life Group	069702	95,822,535	838	461	3.8	92.3
6	Protective Life Group	069728	75,628,159	690	410	6.8	87.2
7	Prudential of America Group	070189	75,342,451	880	213	3.7	85.2
8	Pacific Life Group	069720	73,885,464	977	850	16.3	71.5
9	Lincoln Finl Group	070351	65,971,464	1,096	582	4.4	81.6
10	Natl Life Group	069953	65,714,242	395	321	6.1	85.9
11	Aegon USA Group	069707	65,170,574	343	169	5.5	91.0
12	Corebridge Finl	070342	60,430,145	454	187	3.4	91.9
13	Guardian Life Group	069685	43,963,571	957	612	3.4	94.8
14	Penn Mutual Group	069722	39,769,303	1,406	674	3.2	83.5
15	Globe Life Group	070443	38,626,275	24	16	15.1	89.8
16	Nationwide Life Group	070350	35,518,333	593	319	3.6	76.1
17	Principal Finl Group Inc.	020516	34,252,715	1,438	750	1.9	89.7
18	John Hancock Life Insurance Group	069542	32,584,096	1,588	430	4.3	81.7
19	Sammons Finl Group	069731	32,253,806	541	330	5.2	47.9
20	Symetra Life Group	070123	27,663,942	1,122	596	5.0	73.7
21	USAA Life Group	070364	25,000,773	455	381	3.8	96.5
22	Mutual of Omaha Group	070203	24,817,803	56	64	5.7	88.6
23	Southern Farm Bureau Life Ins Co	007053	23,135,760	321	167	4.0	94.4
24	Fidelity & Guaranty Life Group	070403	18,509,635	252	216	6.0	84.5
25	Ameritas Life Group	069790	16,739,337	449	359	5.9	80.8
Total U.S. Life/Health Industry			\$1,843,672,788	\$169	\$169	5.1	86.9

Note: Data for some companies in this report has been received from the NAIC.

Source:  - Statement File - L/H, U.S.; data as of July 1, 2024.**Best's Rankings****US Life/Health - Group Life Issued - 2024 Edition**

Ranked by 2023 group life business issued.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Group Life Issued	% Change
1	1	MetLife Life Ins Companies	070192	\$508,487,048	38.3
2	3	Lincoln Finl Group	070351	165,886,197	46.2
3	6	Hartford Life & Accident Ins Co	007285	129,684,439	81.2
4	4	Unum Ins Group	069743	74,744,635	-11.6
5	7	Meiji Yasuda US Life Group	070499	71,564,086	5.6
6	9	Securian Finl Ins Group	069565	66,696,052	6.5
7	10	Sun Life Finl Group	069740	64,795,095	45.5
8	8	Principal Finl Group Inc.	020516	62,705,776	-5.9
9	5	Prudential of America Group	070189	61,477,073	-24.2
10	15	Tokio Marine US Life Group	069195	49,168,255	50.4
11	2	New York Life Group	069714	48,995,595	-57.4
12	11	Mutual of Omaha Group	070203	48,441,861	23.4
13	13	Guardian Life Group	069685	47,070,334	22.9
14	18	Aflac U.S. Group	069824	41,167,745	162.2
15	14	Voya Finl Group	070153	34,648,709	-4.1
16	17	Equitable Life Group	070194	22,202,157	18.6
17	23	Symetra Life Group	070123	17,676,176	109.2
18	19	UnitedHealth Life Companies	069973	14,857,086	-0.7
19	21	Dearborn Life Ins Group	069637	9,586,403	-14.5
20	22	5 Star Life Ins Co	008069	9,312,583	8.8
21	24	AAA Life Group	070388	9,139,167	19.2
22	25	Oneamerica Group	070399	5,858,296	19.6
23	29	Life & Specialty Ventures Group	070430	5,206,110	63.3
24	27	Trustmark Group	069807	4,385,218	8.4
25	20	Nationwide Life Group	070350	4,346,130	-64.8
Top 25 Insurers				\$1,578,102,226	14.1
Total U.S. Life/Health Industry				\$1,617,469,385	13.4

Note: Data for some companies in this report has been received from the NAIC.

Source:  - Statement File - L/H, U.S.; data as of July 1, 2024.**Best's Rankings****US Life/Health - Group Life In Force - 2024 Edition**

Ranked by 2023 group life business in force.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Group Life In Force	% Change
1	1	MetLife Life Ins Companies	070192	\$4,770,516,569	9.3
2	2	Great-West Life Group	070366	4,764,940,927	15.0
3	3	Prudential of America Group	070189	2,284,005,687	1.6
4	4	New York Life Group	069714	2,056,041,096	5.6
5	5	Securian Finl Ins Group	069565	1,900,611,702	9.1
6	6	Hartford Life & Accident Ins Co	007285	1,299,312,681	11.1
7	7	Lincoln Finl Group	070351	950,317,922	5.8
8	8	Unum Ins Group	069743	802,405,915	-0.9
9	9	Meiji Yasuda US Life Group	070499	637,833,667	5.5
10	10	Munich Amer Group	069170	427,687,237	7.1
11	11	Guardian Life Group	069685	369,888,122	6.0
12	13	Mutual of Omaha Group	070203	366,468,708	11.6
13	12	Sun Life Finl Group	069740	366,168,764	8.3
14	14	Tokio Marine US Life Group	069195	313,321,065	13.0
15	15	Voya Finl Group	070153	248,855,070	3.8
16	16	Principal Finl Group Inc.	020516	177,966,552	6.8
17	17	Dearborn Life Ins Group	069637	144,814,171	4.6
18	18	UnitedHealth Life Companies	069973	114,212,419	3.9
19	20	Swiss Re Life Group	070469	108,911,693	9.8
20	19	RGA Group	069611	98,381,769	-2.8
21	23	John Hancock Life Insurance Group	069542	95,272,833	21.9
22	21	AAA Life Group	070388	88,879,996	-1.9
23	24	Symetra Life Group	070123	86,516,279	12.2
24	28	Aflac U.S. Group	069824	85,264,474	59.8
25	25	Nationwide Life Group	070350	75,524,603	7.2
Top 25 Insurers				\$22,634,119,921	8.4
Total U.S. Life/Health Industry				\$23,599,980,187	8.1

Note: Data for some companies in this report has been received from the NAIC.

Source:  - Statement File - L/H, U.S.; data as of July 1, 2024.

Best's Rankings

US Life/Health – Total Life Issued – 2024 Edition

Ranked by 2023 total life business issued.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Total Life Issued	% Change
1	1	MetLife Life Ins Companies	070192	\$513,612,810	37.7
2	2	Lincoln Finl Group	070351	231,857,591	-9.5
3	4	Northwestern Mutual Group	069515	191,564,940	2.3
4	3	New York Life Group	069714	151,363,608	-25.4
5	5	Prudential of America Group	070189	137,169,457	-1.2
6	14	Hartford Life & Accident Ins Co	007285	129,713,186	81.2
7	7	State Farm Life Group	070126	117,300,644	6.5
8	10	Primerica Group	070183	108,072,616	13.6
9	16	Legal & Gen America Group	069539	104,749,544	57.2
10	9	Massachusetts Mutual Life Group	069702	98,898,259	3.9
11	11	Principal Finl Group Inc.	020516	96,953,161	6.9
12	13	Guardian Life Group	069685	91,249,395	9.6
13	12	Securian Finl Ins Group	069565	87,366,183	-0.4
14	8	Unum Ins Group	069743	85,239,813	-10.7
15	6	Protective Life Group	069728	78,280,024	-30.6
16	21	Pacific Life Group	069720	73,885,464	45.4
17	18	Mutual of Omaha Group	070203	73,259,663	16.9
18	15	Meiji Yasuda US Life Group	070499	71,588,661	5.5
19	17	Aegon USA Group	069707	68,232,911	8.3
20	19	Natl Life Group	069953	66,152,836	15.3
21	22	Sun Life Finl Group	069740	64,808,670	45.5
22	20	Corebridge Finl	070342	60,432,336	13.7
23	30	Tokio Marine US Life Group	069195	49,170,224	50.4
24	32	Aflac U.S. Group	069824	48,639,748	111.7
25	34	Symetra Life Group	070123	45,370,670	110.2
Top 25 Insurers				\$2,844,932,414	9.7
Total U.S. Life/Health Industry				\$3,632,527,107	8.8

Note: Data for some companies in this report has been received from the NAIC.
Source:  - Statement File - L/H, U.S.; data as of July 1, 2024.

Best's Rankings

US Life/Health – Total Life In Force – 2024 Edition

Ranked by 2023 total life business in force.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Total Life In Force	% Change
1	1	Great-West Life Group	070366	\$5,599,295,931	11.6
2	2	MetLife Life Ins Companies	070192	5,162,993,731	7.9
3	3	Prudential of America Group	070189	4,608,301,384	0.1
4	4	New York Life Group	069714	3,257,000,160	4.6
5	5	Northwestern Mutual Group	069515	2,318,592,973	4.4
6	6	Lincoln Finl Group	070351	2,180,130,254	2.4
7	7	Securian Finl Ins Group	069565	2,139,110,899	8.2
8	9	Swiss Re Life Group	070469	2,106,279,044	10.8
9	8	RGA Group	069611	2,099,826,561	8.2
10	10	Munich Amer Group	069170	1,863,229,421	5.7
11	11	SCOR Life US Group	070253	1,682,819,743	-1.9
12	14	Hartford Life & Accident Ins Co	007285	1,300,848,309	11.0
13	15	Hannover Life Reassur America	068031	1,215,279,540	7.6
14	16	State Farm Life Group	070126	1,159,800,600	4.2
15	13	Aegon USA Group	069707	1,140,235,497	-3.5
16	17	Principal Finl Group Inc.	020516	1,104,451,282	3.7
17	12	Corebridge Finl	070342	1,068,671,360	-19.3
18	18	Protective Life Group	069728	1,029,528,644	-0.3
19	19	Massachusetts Mutual Life Group	069702	1,007,667,235	5.4
20	22	Legal & Gen America Group	069539	887,858,113	6.9
21	21	Guardian Life Group	069685	878,899,041	5.5
22	20	Unum Ins Group	069743	869,434,318	-0.9
23	23	Primerica Group	070183	835,694,013	2.6
24	24	John Hancock Life Insurance Group	069542	693,689,036	2.3
25	26	Meiji Yasuda US Life Group	070499	642,862,795	5.4
Top 25 Insurers				\$46,852,499,884	4.5
Total U.S. Life/Health Industry				\$61,512,852,004	4.5

Note: Data for some companies in this report has been received from the NAIC.
Source:  - Statement File - L/H, U.S.; data as of July 1, 2024.

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Best's Rankings**US Life/Health – Ordinary Life Issued – 2024 Edition**

Ranked by 2023 ordinary life business issued.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Ordinary Life Issued	% Change
1	1	Northwestern Mutual Group	069515	\$190,995,656	2.3
2	3	State Farm Life Group	070126	117,099,349	6.5
3	4	Primerica Group	070183	108,072,616	13.6
4	8	Legal & Gen America Group	069539	104,640,773	57.1
5	6	New York Life Group	069714	102,368,013	16.8
6	5	Massachusetts Mutual Life Group	069702	95,822,534	3.9
7	7	Protective Life Group	069728	77,211,771	4.8
8	10	Prudential of America Group	070189	75,692,384	31.3
9	13	Pacific Life Group	069720	73,885,464	45.4
10	11	Natl Life Group	069953	66,152,836	15.3
11	2	Lincoln Finl Group	070351	65,971,394	-53.7
12	9	Aegon USA Group	069707	64,322,360	9.4
13	12	Corebridge Finl	070342	60,430,146	13.7
14	14	Guardian Life Group	069685	44,179,061	-1.6
15	18	Penn Mutual Group	069722	39,283,129	15.5
16	16	Globe Life Group	070443	38,626,275	-5.7
17	19	Nationwide Life Group	070350	35,518,333	20.3
18	21	Principal Finl Group Inc.	020516	34,247,385	42.3
19	17	John Hancock Life Insurance Group	069542	32,584,096	-5.5
20	15	Sammons Finl Group	069731	32,253,807	-23.3
21	31	Symetra Life Group	070123	27,694,494	110.9
22	20	USAA Life Group	070364	25,000,773	-1.6
23	22	Mutual of Omaha Group	070203	24,817,802	6.1
24	23	Southern Farm Bureau Life Ins Co	007053	23,135,760	12.5
25	30	Fidelity & Guaranty Life Group	070403	18,509,635	26.7
Top 25 Insurers				\$1,578,515,846	5.9
Total U.S. Life/Health Industry				\$1,971,752,110	5.4

Note: Data for some companies in this report has been received from the NAIC.
Source: **BESTLINK** – Statement File - L/H, U.S.; data as of July 1, 2024.

Best's Rankings**US Life/Health – Term Life Issued – 2024 Edition**

Ranked by 2023 term life business issued.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Term Life Issued	% Change
1	1	Northwestern Mutual Group	069515	\$144,474,246	6.2
2	4	Primerica Group	070183	108,071,426	13.6
3	5	Legal & Gen America Group	069539	104,561,845	57.2
4	3	State Farm Life Group	070126	103,933,635	6.2
5	7	New York Life Group	069714	65,648,303	21.1
6	10	Pacific Life Group	069720	61,853,145	56.1
7	6	Protective Life Group	069728	61,801,682	7.7
8	8	Massachusetts Mutual Life Group	069702	60,231,827	12.8
9	9	Corebridge Finl	070342	54,618,655	14.7
10	2	Lincoln Finl Group	070351	52,870,305	-58.2
11	11	Prudential of America Group	070189	47,441,904	50.8
12	12	Guardian Life Group	069685	33,107,849	6.5
13	17	Principal Finl Group Inc.	020516	31,034,708	50.1
14	15	Penn Mutual Group	069722	29,620,712	24.9
15	16	Natl Life Group	069953	29,581,147	29.4
16	14	USAA Life Group	070364	23,984,448	-1.6
17	25	Symetra Life Group	070123	23,516,949	115.9
18	13	Sammons Finl Group	069731	22,967,058	-22.3
19	19	Southern Farm Bureau Life Ins Co	007053	20,841,859	14.9
20	18	Globe Life Group	070443	17,689,550	-8.6
21	24	Ameritas Life Group	069790	16,395,171	46.0
22	20	John Hancock Life Insurance Group	069542	13,754,998	-15.4
23	22	Farmers New World Life Ins Co	006373	13,697,408	-3.9
24	35	Brighthouse Ins Group	070516	13,280,552	61.9
25	31	Nationwide Life Group	070350	12,607,838	35.8
Top 25 Insurers				\$1,167,587,220	8.7
Total U.S. Life/Health Industry				\$1,416,862,982	7.4

Note: Data for some companies in this report has been received from the NAIC.
Source: **BESTLINK** – Statement File - L/H, U.S.; data as of July 1, 2024.

Best's Rankings**US Life/Health – Ordinary Life In Force – 2024 Edition**

Ranked by 2023 ordinary life business in force.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Ordinary Life In Force	% Change
1	1	Prudential of America Group	070189	\$2,320,700,318	-1.2
2	2	Northwestern Mutual Group	069515	2,311,040,176	4.4
3	3	Swiss Re Life Group	070469	1,997,367,350	10.9
4	4	RGA Group	069611	1,962,607,388	9.1
5	5	SCOR Life US Group	070253	1,640,778,545	-2.1
6	6	Munich Amer Group	069170	1,435,303,090	5.3
7	8	Lincoln Finl Group	070351	1,229,797,191	-0.2
8	11	Hannover Life Reassur America	068031	1,213,821,509	7.6
9	9	New York Life Group	069714	1,200,959,065	3.0
10	12	State Farm Life Group	070126	1,145,633,517	4.2
11	10	Aegon USA Group	069707	1,111,271,764	-3.7
12	7	Corebridge Finl	070342	1,062,206,394	-19.4
13	13	Protective Life Group	069728	992,632,091	-0.1
14	14	Massachusetts Mutual Life Group	069702	978,067,194	6.0
15	15	Principal Finl Group Inc.	020516	926,484,731	3.2
16	17	Legal & Gen America Group	069539	887,621,073	6.9
17	18	Primerica Group	070183	835,689,902	2.6
18	16	Great-West Life Group	070366	833,853,294	-4.3
19	31	Resolution Life US Group	069519	608,466,542	73.2
20	19	John Hancock Life Insurance Group	069542	598,416,202	-0.3
21	20	Pacific Life Group	069720	546,465,165	-4.9
22	22	Brighthouse Ins Group	070516	517,745,963	-2.8
23	23	Guardian Life Group	069685	509,010,918	5.1
24	21	Genworth Finl Companies	070527	507,497,898	-7.3
25	26	Berkshire Hathaway Group	070158	503,962,874	9.9
Top 25 Insurers				\$27,877,400,154	2.0
Total U.S. Life/Health Industry				\$37,782,903,541	2.3

Note: Data for some companies in this report has been received from the NAIC.
Source: **BESTLINK** – Statement File - L/H, U.S.; data as of July 1, 2024.

Best's Rankings**US Life/Health – Term Life In Force – 2024 Edition**

Ranked by 2023 term life business in force.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	Term Life In Force	% Change
1	1	Swiss Re Life Group	070469	\$1,991,419,417	10.9
2	2	RGA Group	069611	1,943,469,435	10.1
3	3	SCOR Life US Group	070253	1,640,460,710	-2.1
4	5	Northwestern Mutual Group	069515	1,462,603,257	4.9
5	4	Prudential of America Group	070189	1,412,266,153	-3.0
6	6	Munich Amer Group	069170	1,390,377,768	5.7
7	8	Hannover Life Reassur America	068031	1,190,470,608	8.5
8	7	Corebridge Finl	070342	904,235,853	-21.1
9	9	State Farm Life Group	070126	894,301,487	5.2
10	11	Legal & Gen America Group	069539	881,305,008	7.0
11	10	Lincoln Finl Group	070351	845,748,127	-0.4
12	12	Primerica Group	070183	834,100,824	2.6
13	14	Principal Finl Group Inc.	020516	775,079,083	3.4
14	13	Aegon USA Group	069707	696,507,688	-10.2
15	16	New York Life Group	069714	617,077,600	3.3
16	15	Protective Life Group	069728	602,204,244	-0.7
17	17	Berkshire Hathaway Group	070158	503,642,892	9.9
18	19	Massachusetts Mutual Life Group	069702	484,190,049	7.7
19	18	USAA Life Group	070364	454,949,237	0.5
20	22	Brighthouse Ins Group	070516	376,686,828	-2.7
21	20	Genworth Finl Companies	070527	374,951,293	-8.4
22	23	Voya Finl Group	070153	342,051,779	-6.1
23	25	Guardian Life Group	069685	292,272,685	6.7
24	45	Resolution Life US Group	069519	287,342,227	181.2
25	24	Everlake Life Group	070106	272,756,968	-10.4
Top 25 Insurers				\$21,470,471,220	1.2
Total U.S. Life/Health Industry				\$26,959,929,044	1.7

Note: Data for some companies in this report has been received from the NAIC.
Source: **BESTLINK** – Statement File - L/H, U.S.; data as of July 1, 2024.

Best's Rankings**Top 25 Writers – US Private Flood – 2024 Edition**

Ranked by 2023 direct premiums written.

(\$ Thousands)

2023 Rank	2022 Rank	Company/Group	AMB#	2023 Direct Premiums		Market Share (%)			Adjusted Loss Ratios			% of Company Premiums
				Written	% Change in Premiums	2023	2022	2021	2023	2022	2021	
1	3	Berkshire Hathaway Ins	000811	\$183,867	47.8	12.8	9.5	7.5	0.5	22.8	10.2	0.3
2	2	Zurich Ins US PC Group	018549	169,682	12.2	11.9	11.5	16.0	-21.8	17.1	85.2	0.9
3	5	XL America Companies	018557	144,531	23.2	10.1	9.0	6.8	-21.0	68.5	22.2	1.9
4	4	Assurant P&C Group	018523	123,971	2.5	8.7	9.2	10.2	12.6	102.8	34.6	1.8
5	1	Amer Intl Group	018540	119,949	-31.5	8.4	13.4	14.9	20.1	42.0	54.8	0.7
6	8	Liberty Mutual Ins Cos	000060	87,816	23.8	6.1	5.4	5.7	15.2	18.1	35.0	0.2
7	6	Swiss Reins Group	003262	87,706	-3.7	6.1	7.0	5.8	12.2	17.0	14.3	3.3
8	12	MS&AD US Ins Group	018782	76,243	91.8	5.3	3.0	1.7	7.4	31.1	88.5	4.6
9	7	Sompo Hldgs US Group	018878	64,685	-8.9	4.5	5.4	3.1	3.3	38.6	7.2	0.9
10	10	Allstate Ins Group	000008	54,988	24.2	3.8	3.4	3.2	16.3	55.4	24.1	0.1
11	11	Arch Ins Group	018484	53,272	26.0	3.7	3.2	4.6	27.4	5.3	8.4	0.8
12	9	Chubb INA Group	018498	47,819	-0.9	3.3	3.7	4.2	2.3	54.4	61.9	0.2
13	13	Allianz US PC Ins Companies	018429	40,644	6.9	2.8	2.9	3.2	3.8	-1.9	28.0	0.6
14	16	Palomar Hldgs US Group	018954	20,058	38.0	1.4	1.1	1.1	67.8	8.8	36.9	1.9
15	14	Trisura US Ins Group	018944	16,187	-37.9	1.1	2.0	1.2	-0.2	153.1	261.0	1.1
16	15	MAPFRE North America Group	018801	14,089	-3.8	1.0	1.1	1.5	-11.2	69.3	4.5	0.5
17	19	Munich-Amer Hldg Corp Cos	018753	10,455	13.8	0.7	0.7	2.2	-19.9	81.4	37.0	0.2
18	21	Incline Ins Group	020781	9,784	32.5	0.7	0.6	0.3	21.4	37.2	54.8	2.4
19	31	Amer European Ins Group	018709	8,053	222.9	0.6	0.2	0.0	2.7	6.2	0.0	4.4
20	18	Progressive Ins Group	000780	7,629	-19.8	0.5	0.7	1.0	-31.0	148.2	3.9	0.0
21	23	Cincinnati Ins Cos	004294	7,559	14.5	0.5	0.5	0.5	58.4	-19.6	152.0	0.1
22	20	W. R. Berkley Ins Group	018252	7,521	-7.1	0.5	0.6	0.5	31.7	4.0	285.7	0.1
23	22	Nationwide P&C Group	005987	6,268	-7.3	0.4	0.5	0.5	46.3	32.1	84.7	0.0
24	24	United Surety & Indemnity Co	011138	6,118	-5.0	0.4	0.5	0.6	-2.8	17.7	0.2	6.2
25	25	Tokio Marine US PC Group	018733	5,410	-8.1	0.4	0.5	0.6	69.1	3.7	86.2	0.0
Top 25 Writers				\$1,374,304	8.8	96.0	96.4	97.1	4.4	46.7	43.7	0.4
Total U.S. P/C Industry				\$1,431,761	9.2	100.0	100.0	100.0	5.3	47.4	43.2	0.1

Note: Data for some companies in this report has been received from the NAIC.

Reflects Grand Total (includes Canada and U.S. Territories).

Source:  - State/Line (P/C Lines) - P/C, U.S.; data as of July 29, 2024.

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Best's Rankings

Top Global Reinsurance Groups – 2024 Edition

Non-IFRS 17 companies ranked by 2023 gross premiums written. IFRS 17 companies ranked by 2023 revenue.

(US\$ Millions)¹

Non-IFRS 17 Rank	IFRS 17 Rank	Company Name	Reinsurance Premiums	Reinsurance Revenue	Shareholders' Funds ²	Combined Ratio ³
			Life & Non-Life	Life & Non-Life		
			GPW	Gross		
1		Swiss Re Ltd.	40,503		16,371	94.1
	1	Munich Reinsurance Co. ⁴		32,921	32,863	85.2
2		Berkshire Hathaway Inc	27,453		567,509	84.0
	2	Hannover Rück SE		26,995	12,164	94.0
3		Lloyd's ^{5,6}	22,075		56,869	80.2
	3	SCOR S.E.		17,575	5,213	85.0
4		Reinsurance Group of America Inc	14,281		9,171	N/A
5		RenaissanceRe Holdings Ltd. ⁷	12,340		9,455	78.0
6		Everest Re Group Ltd.	11,460		13,202	86.4
7		Arch Capital Group Ltd.	9,113		18,353	81.5
8		PartnerRe Ltd.	9,102		8,424	81.7
	4	China Reinsurance (Group) Corp		5,986	14,453	93.5
9		MS&AD Insurance Group Holdings, Inc. ^{8,9,10}	5,777		13,814	98.7
10		General Insurance Corp of India ⁸	4,544		10,283	111.7
11		MAPFRE RE, Compañía de Reaseguros S.A. ¹⁰	4,295		2,553	97.2
	5	Assicurazioni Generali SpA		4,204	34,532	107.4
	6	Korean Reinsurance Co		3,979	2,505	95.5
12		Odyssey Group Holdings, Inc	3,741		5,963	89.5
	7	Canada Life Re		3,560	22,535	N/A
13		R+V Versicherung AG ¹¹	3,447		2,646	98.1
14		Pacific LifeCorp	3,212		9,767	N/A
15		Liberty Mutual ¹²	3,029		25,060	95.9
	8	Sompo International Holdings, Ltd.		2,974	10,371	75.5
	9	AXA XL		2,814	12,651	80.0
16		The Toa Reinsurance Co, Limited ¹³	2,344		2,689	98.4
17		AXIS Capital Holdings Limited	2,216		5,263	107.6
18		Convex Group Limited	2,115		3,157	74.6
19		Deutsche Rückversicherung AG ¹²	1,945		364	99.6
20		American Agricultural Insurance Co	1,896		712	102.0
21		Allied World Assurance Co Holdings, Ltd.	1,849		5,670	88.9
22		Tokio Marine & Nichido Fire Insurance Co., Ltd. ^{14,15}	1,571		16,622	95.9
	10	Peak Reinsurance Co Ltd		1,556	1,282	87.3
23		Aspen Insurance Holdings Limited	1,521		2,909	81.4
24		W.R. Berkley Corp ¹⁵	1,411		7,455	82.1
25		Qianhai Reinsurance Co., Ltd.	1,372		500	99.6
26		Ascot Group Ltd.	1,362		1,869	92.0
	11	IRB - Brasil Resseguros S.A.		1,344	878	99.5
27		CCR Re	1,309		885	96.9
	12	QBE Insurance Group Limited		1,301	9,953	100.7
28		DEVK Gruppe	1,277		2,835	95.1
29		SiriusPoint Ltd.	1,271		2,531	80.0
	13	Taiping Reinsurance Co. Ltd ⁷		1,206	1,410	94.9
30		Chubb Limited	1,151		63,691	75.6
31		Somers Re Ltd.	1,048		1,111	94.1
32		Markel Corp	1,047		15,056	101.9
	14	African Reinsurance Corp		1,046	1,066	87.7
33		Core Specialty Insurance Holdings, Inc	1,037		1,124	106.4
	15	Hiscox Ltd		970	3,297	68.3
34		Ark Insurance Holdings Ltd.	966		1,107	92.5
35		Hamilton	839		2,048	68.4

¹ All non-USD currencies converted to USD using foreign exchange rate at year-end 2023.

² As reported in the group's annual statement.

³ Non-life only.

⁴ Munich Re's results in prior years included global specialty insurance; the revenue associated with this line was removed from reinsurance revenues for year-end 2023.

⁵ Reflects total reinsurance premium written by all syndicates in the Lloyd's market. The above list includes insurance groups that write reinsurance business in the Lloyd's market. As such, reinsurance premium is included in both the insurance group's premium figure and the Lloyd's market's premium figure.

⁶ Shareholders' funds includes Lloyd's members' assets and Lloyd's central reserves.

⁷ RenaissanceRe Holdings Ltd completed its acquisition of Validus Re in October of 2023. 2023 Premiums for Validus were included on a pro-forma basis.

⁸ Fiscal year ended March 31, 2024.

⁹ Net asset value used for shareholders' funds.

¹⁰ Premium data excludes intragroup reinsurance.

¹¹ Ratio is as reported and calculated on a gross basis.

¹² Ratio is based on the group's operations.

¹³ Ratio is based on Liberty Mutual Insurance Europe SE financial statements.

¹⁴ Ratio is based on Tokio Marine & Nichido Fiscal Year 2023 reported combined ratio.

¹⁵ Ratio includes monoline excess business in addition to reinsurance.

Source: AM Best data and research



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Rates shown are current and are subject to change and state availability.
 All coverage is subject to underwriting and approval of the Equitable Financial Life Insurance Company and
 Equitable Financial Life Insurance Company of America.

Age at Nearest Birthday	Unisex	Male	Female	Age at Nearest Birthday	Unisex	Male	Female
20	0.58	0.65	0.39	60	1.59	1.70	1.44
21	0.55	0.61	0.37	61	1.74	1.85	1.57
22	0.52	0.58	0.37	62	1.88	2.00	1.68
23	0.49	0.54	0.35	63	2.00	2.13	1.81
24	0.45	0.49	0.35	64	2.14	2.27	1.93
25	0.40	0.44	0.33	65	2.34	2.49	2.12
26	0.39	0.42	0.33	66	2.51	2.68	2.27
27	0.38	0.40	0.32	67	2.72	2.89	2.46
28	0.38	0.40	0.32	68	2.99	3.18	2.70
29	0.38	0.40	0.32	69	3.35	3.56	3.03
30	0.37	0.39	0.32	70	3.83	4.10	3.42
31	0.37	0.38	0.32	71	4.40	4.71	3.93
32	0.37	0.38	0.32	72	5.33	5.57	4.41
33	0.38	0.39	0.33	73	6.11	6.46	5.16
34	0.39	0.40	0.34	74	7.06	7.57	6.03
35	0.40	0.42	0.34	75	8.17	8.47	6.08
36	0.41	0.43	0.34	76	8.47	9.08	6.88
37	0.42	0.45	0.37	77	8.83	9.35	7.77
38	0.44	0.47	0.40	78	9.45	9.89	8.41
39	0.47	0.49	0.42	79	10.09	10.59	9.00
40	0.49	0.52	0.42	80	14.03	14.48	12.23
41	0.51	0.54	0.42	81	15.22	15.65	13.54
42	0.53	0.56	0.44	82	16.68	17.11	14.96
43	0.56	0.58	0.48	83	18.63	19.19	16.39
44	0.59	0.61	0.52	84	21.58	22.17	19.24
45	0.63	0.66	0.54	85	25.35	26.11	22.31
46	0.68	0.70	0.59	86	29.98	30.62	26.58
47	0.74	0.76	0.65	87	34.87	35.87	30.85
48	0.79	0.81	0.71	88	41.20	42.18	37.29
49	0.83	0.85	0.74	89	49.25	50.38	44.70
50	0.89	0.92	0.76	90	59.52	62.98	51.95
51	0.96	1.00	0.81	91	80.31	85.02	58.07
52	1.03	1.08	0.85	92	101.10	113.08	64.48
53	1.08	1.12	0.90	93	126.85	141.34	71.41
54	1.12	1.16	0.95	94	136.12	150.46	78.76
55	1.16	1.21	0.98	95	145.95	160.79	86.59
56	1.21	1.27	1.07	96	155.01	170.07	94.76
57	1.30	1.38	1.17	97	164.57	179.88	103.34
58	1.40	1.49	1.27	98	174.70	190.28	112.39
59	1.49	1.59	1.35	99	185.41	201.28	121.90

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AM Best: Stable Outlook Assigned for Global Cyber Insurance Segment

Rate reductions have come after a period of increases driven by a surge in ransomware attacks in 2020 and 2021, according to Christopher Graham, senior industry analyst, AM Best.

by John Weber

AM Best has assigned a stable outlook to the global cyber insurance segment, citing greater demand and favorable intermediate-term growth prospects as take-up rates steadily improve.

The newly assigned outlook was further detailed in a June 2024 Best's Market Segment Report, *US Cyber: Hot Pricing Cools Off, Rapid Growth Stalls*. The report was jointly released with another Best's Market Segment Report, *Market Segment Outlook: Global Cyber Insurance*.

The U.S. cyber report addresses industry performance and notes that direct premium written growth was essentially flat in 2023, compared with a year earlier. This came on the heels of rapid growth that saw the U.S. cyber segment's premium more than triple from 2019 to 2022.

"The reduction in rates has been due to various factors, including increased competition from the supply side," said Christopher Graham, senior industry analyst, AM Best. "In addition, improving cybersecurity practices and decreases in claims frequency have also led to rate reductions after a period of accelerated rate increases driven by a surge in ransomware attacks in 2020 and 2021."

Graham and Sridhar Manyem, AM Best industry research and public relations senior director,

highlighted key findings from the two new reports in an interview with AM Best TV. Following is an edited transcript of the interview.

We've got an assignment of stable to the global cyber segment. Can you take us through the rationale of why that is?

Manyem: AM Best has always been trying to keep ahead of the industry developments. We saw that with innovation, where we were one of the first rating agencies to incorporate innovation as one of the factors in our ratings process. On a pretty similar note, we've been seeing huge growth in cyber insurance ... with the advent of technology, increasing use of technology in businesses, growth in AI.

Cyber is a line of business that's going to be ever more important and ever more relevant to the commerce of the globe. So we wanted to craft a separate outlook for cyber insurance, and in fact we are the first rating agency to assign an outlook to the cyber insurance market because we think it's going to be important and it's going to play a very important role in the future as well. With that said, as we were coming up with what the outlook was going to be, we found a number of positive factors and some negative factors in our discussions, and both of them balance out each other. We've come up with a stable outlook for the global cyber insurance market.

John Weber is a senior associate editor. He can be reached at john.weber@ambest.com.



“As we were coming up with what the outlook was going to be, we found a number of positive factors and some negative factors in our discussions, and both of them balance out each other.”

Christopher Graham
AM Best

What were some of the positive factors? I think the positive factor is, of course, the point that I mentioned. This is a line that's going to be ever more relevant with lots of cyber news in the headlines about ransomware and business email compromise, the threat of AI, so on and so forth. We are anticipating an increasing demand in the cyber insurance marketplace. The expected profitability of the line has been pretty healthy—in fact, very healthy over the past couple of years. The loss ratios have been in the 40s.

There were some blips in 2020 and 2021 after COVID, when ransomware attacks were much more active; cyber insurance underwriting was not really up to standards. The loss ratios for the past couple of years have been healthy. We expect—because of the improved underwriting standards, incorporation of limits, deductibles—we expect the loss ratios to be reasonably good in the short to medium term.

There's been an increased focus on cyber hygiene, especially after the COVID pandemic took people unawares. There's been a renewed focus on cyber hygiene and insurers especially enforcing the cyber hygiene standards on their clients.

The ransomware attacks are still increasing, but again, they're under control because of the hygiene I talked about in terms of companies having backups, better negotiations with ransomware attackers and sometimes non-negotiations because they already have a backup, and so there's really no need to negotiate.

According to the report, cyber premiums tripled between 2019 and 2022—phenomenal growth, but in 2023 they were flat. What happened there?

Graham: When you start after the big ransomware attacks of 2020 and 2021, prices spiked, and the insurers went through every tool they had in their toolbox to tighten up the results. Come 2023, you saw the insurers increase the retentions,

cut back on their limits, all in a way to manage the aggregate risk. That's really the big concern in cyber right now—the systemic risk, aggregate risk. To his [Manyem's] point, there's no diversification in cyber.

One attack in the wrong spot could affect multiple entities. To manage the aggregate exposure, when you get into increasing the self-insured retentions or decreasing the limits, that's going to be a premium cut. What we saw happen is among the larger, sophisticated insureds who are typically buying these stand-alone policies, there is actually a premium decrease among those policies. On the other side, package policies, which are your smaller and medium-sized entities, premium increased. There was a big growth even in policy count. Policy count was up about 10%. But again, that's coming from the small, medium entities. That's where the growth in cyber is going to be at this point.

What's the report telling us about loss trends and more specifically about loss ratios in the U.S. cyber market?

Graham: Three-quarters of the cyberattacks, at least according to some reports that we've seen, the ransom never gets paid. The insureds have better cyber hygiene, including their backups, so maybe they're down for a little bit but they don't even bother negotiating with the ransomware threat actors and they just move on and there is no claim so the improved cyber hygiene has gone a long way to protecting the results and what we'll see how that plays out. Criminals are always one step ahead so you don't know what's out there yet. **BR**

AM Best TV



Scan to watch the interview with Sridhar Manyem and Christopher Graham.

In the Spirits World, Alcohol Shipping Risks Can Be Sobering

Best's Underwriting Reports and *Best's Loss Control Reports* provide insight into the risks and lines of coverage for distilleries.

A recent change to liquor laws in New York permits distilleries to deliver their products to consumers' homes, which may impact the market's already substantial automobile and inland marine liabilities.

Bill S2852A, recently signed into law by Gov. Kathy Hochul, allows distilleries to ship liquor, cider, mead, and other alcohols directly to consumers.

A group of former law enforcement officials had opposed the measure, saying it would encourage underage drinking, according to the *New York Post*. The Coalition for Responsible Alcohol Shipping claimed that investigations have shown "that alcohol shipment to underage consumers without age verification is commonplace where direct shipping is legal," according to the report.

Before the legislation was even proposed, a recent *Best's Underwriting & Loss Control Resources* report titled *Distilleries* tackled the issue, noting that distilleries already have a substantial automobile liability exposure.

"Many distilleries will operate a fleet of vehicles, which will serve different purposes," the report said. "For example, delivering products to bottlers or wholesalers for distribution would require the distillery to operate large tractor-trailers. Office and sales personnel may occasionally use their own vehicles to run errands or meet clients or suppliers at off-site appointments. If employees use their own vehicles for business-related travel, a non-owned vehicle exposure will exist. Confirm the existence of underlying personal insurance at acceptable limits for those employees."

Inland marine liability is high because cargo is subject to hijacking due to the nature of the products.

"The underwriter should evaluate the extent of the insured's delivery services. Does the insured use common or contract carriers for transporting items? If so, this exposure will be reduced," the report said. "Most distilleries will ship spirits via common or contract carrier and, therefore, truck cargo is typically covered under the trucking firm's insurance policy. If this is the case, what are the reputations and loss histories of all such contracted carriers? It is recommended that the insured also have an annual



transportation policy. This policy could come into play if damage is caused by something the trucking company is not liable for (e.g., an act of God), if there are considerable delays in the ability to collect from the trucker, or if the damage to the goods was a result of the manufacturer's own packing."

Best's Underwriting Reports has identified nine lines of coverage for distilleries: Automobile Liability; General Liability: Premises and Operations; General Liability: Products - Completed Operations; Workers' Compensation; Crime; Property; Business Interruption; Inland Marine; and Equipment Breakdown.

Best's Hazard Index ranks the risk of exposures for the lines of business as Low (1-3), Medium (4-6), High (7-9) and Very High (10).

Following are excerpts from the *Distilleries* Lines of Coverage reports that show the highest index rankings, as well as the information about MSCI's Distillers & Vintners ESG Risk Intensity Score, as of July 24, 2023:

Best's Hazard Index

Line of Coverage	Best's Hazard Index
Property	9
Business Interruption	8
Automobile Liability	7
Inland Marine	7
Equipment Breakdown	7

MSCI ESG Score

MSCI ESG Industry Risk Intensity Score for the following GICS Classification:	Distillers & Vintners
ESG Risk Intensity Score	7

Review methodology behind MSCI ESG Ratings at www.msci.com/esg-and-climate-methodologies.



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Lines of Coverage

Property

The Property exposure for distilleries will be extensive due to the number of ignition sources on the premises and a heavy fire load. Several ignition sources include faulty wiring, malfunctioning electrical equipment and machinery (e.g., mash kettles) and other heat-producing machinery, and possibly smoking. Distilleries will have a heavy fire load comprised of raw materials and flammable finished products, grain dust, along with office furniture and equipment, documentation and shipping boxes and crates. Also, it should be noted that the American insured's entire inventory of finished products will quite likely be condemned by the Food and Drug Administration (FDA) in the event of a fire. Computers will be covered here.

Business Interruption

For distilleries, Business Interruption exposure will be serious. For the most part, distilleries rely more on reputation than location for their business. However, location is crucial nonetheless because of spatial criteria needed to operate. Relocating may be difficult because of the specific requirements needed for each distillery. Much of the machinery used may not be readily available, often taking weeks or months to replace, install and make operable. A peak season is possible in this industry.

Automobile Liability

Distilleries will have a substantial Automobile Liability exposure. Many distilleries will operate a fleet of vehicles for delivering products. The larger distilleries typically offer delivery services to wholesalers or bottling firms. Deliveries may be made several times a week to different locations. Drivers will face such common hazards as inclement weather, traffic congestion, road

construction, driving during hours of darkness, fatigue, poor road conditions and distracted driving. Containers of spirits will be heavy and may shift during transport.

Inland Marine

Most distilleries will contract out shipping of their spirits. Therefore, truck cargo is typically covered under the trucking firm's insurance policy. Due to the nature of the products, such cargo will be subject to hijacking. Deliveries conducted by the distillery should be protected under Transit coverage. Additionally, improperly secured cargo could fall and break. Valuable Papers and Records coverage will be needed for business licenses, laboratory test results, federal and state inspection reports, contracts, records of product lots, and any recall documentation. Laptop computers and related equipment may be provided to monitor maintenance and production schedules, and to track inventory and customer orders. In addition, forklifts and pallet loaders will be used to transport large or heavy materials or pallets loaded with cases of distilled spirits. Overall, the Inland Marine exposure for distilleries will be substantial.

Equipment Breakdown

Distilleries will have a substantial Equipment Breakdown exposure. The severity of this exposure will depend primarily on the extent and scope of the insured's distilling operations. Three factors contribute to this exposure: mashing tanks in which the mash is cooked; stills where the alcohol is separated from water; and the refrigeration system used to cool the wort before it is fermented. Steam pressure vessels may also be used. Ongoing maintenance of this equipment will be a primary concern because the breakdown of even one key piece of machinery could bring the production line to a halt.

Loss Control

On-Site Inspection:

- What are the number, age, type and condition of the vehicles?
- What types of electronic distractions are present in the vehicles?
- Does the insured equip each of its vehicles with a two-way communication system?
- Are delivery vehicles equipped with anti-theft alarms?
- Is portable electronic equipment stored in a locked cabinet when not in use?

Items To Investigate:

- Is the underlying personal insurance at acceptable limits available for review for drivers who operate their own vehicles for business purposes?

- What hazards are typically faced by drivers?
- Does the insured use common or contract carriers or owned vehicles for delivering items?
- What is the reputation and loss history of the contracted carrier?
- How well are goods packaged for shipping, and how are loads secured?

BR

—Anthony Bellano



Scan for more on this and other risk classifications in Best's Underwriting & Loss Control Resources.

North Carolina Dwelling Proposal Approved at Fraction of State Rate Bureau's Request

The North Carolina Department of Insurance approved an increase for dwellings statewide that was at a lower rate than insurers have seen in other states.

by Anthony Bellano

North Carolina dwelling rates will increase an average of 8% in the fourth quarter, far less than the 50.6% increase requested last year by the North Carolina Rate Bureau.

It's also lower than the rate increases some insurers in the state have received in the last few years, including two Liberty subsidiaries that were approved for increases greater than 10%, according to Best's State Rate Filings.

In 2023, State Auto Property & Casualty Insurance Co. was approved for an 18.02% increase, according to the filings. A year earlier, Milbank Insurance Co. received approval for a 13% increase. Additionally, Armed Forces Insurance Exchange received approvals for rate hikes of 8.86% and 9.40% in 2021 and 2023, respectively.

The North Carolina Rate Bureau is a non-profit rating bureau that provides services and programs for insurers throughout the state. It filed its most recent request with the North Carolina Department of Insurance on July 13, 2023. North Carolina Insurance Commissioner Mike Causey opposed the request.

The sides were able to negotiate the increase before a hearing that had been scheduled for July 2024. As part of the settlement, extended coverage buildings rates will rise as much as 15% in select territories and 10.2% on



average statewide, according to a settlement agreement and consent order filed on May 30 by the North Carolina Department of Insurance. Extended coverage contents rates will increase as much as 15% in some territories and an average of 5.5% statewide. Rates will remain unchanged for fire buildings and contents coverage.

"I am happy that we were able to save North Carolina consumers more than \$151.7 million per year in this rate case over what the insurance companies requested," Causey said in a statement.

The last time the rate bureau made a dwelling rate filing was in August 2022, when it requested an average statewide increase of 42.6%. After negotiation, the two sides reached a settlement for an overall average rate increase of 9.9%.

Nationally, most of the five highest rate hikes for this year as of July 18 were in the 30% range, with the exception of the Pennsylvania National Mutual Casualty Insurance Co. It received approval for a 150% increase effective July 15, 2024, according to Best's State Rate Filings.

American Modern Property & Casualty Insurance Co., a Munich Re American subsidiary, was next with a 36.90% increase in California. Foremost Lloyds of Texas, a Farmers Insurance Group company, was third with a 36.30% increase in Texas. None of the rate filings with increases of 25% or higher, as reflected in the accompanying tables, was issued in North Carolina. **BR**

Anthony Bellano is an associate editor. He can be reached at anthony.bellano@ambest.com.

US Dwelling Approved Rate Filings by Overall Effect With Increases of 25% or Greater

Based on an effective date beginning on Jan. 1, 2024, through Dec. 31, 2024.

Group Name	Company Name	AMB#	State	Overall Effect	Effective Date	Program	Best's State Line - P/C US Market Share %
Penn National Insurance Cos	Penn National Insurance Cos	000766	PA	150.00%	7/15/2024	Dwelling	1.11%
Penn National Insurance Cos	Pennsylvania National Mutual Cas Ins Co	002397	PA	150.00%	7/15/2024	Dwelling	0.99%
Munich-American Hldg Corp Cos	Munich-American Hldg Corp Cos	018753	CA	36.90%	12/12/2024	Dwelling	1.03%

Group Name	Company Name	AMB#	State	Overall Effect	Effective Date	Program	Best's State Line - P/C US Market Share %
Munich-American Hldg Corp Cos	American Modern Property & Casualty Ins	003285	CA	36.90%	12/12/2024	Dwelling	0.61%
Farmers Insurance Group	Farmers Insurance Group	000032	TX	36.30%	1/1/2024	Dwelling	5.31%
Farmers Insurance Group	Foremost Lloyds of Texas	001753	TX	36.30%	1/1/2024	Dwelling	0.79%
DB Insurance US Group	DB Insurance US Group	018921	HI	35.50%	6/1/2024	Dwelling	4.49%
DB Insurance US Group	DB Insurance Co., Ltd. USB	013784	HI	35.50%	6/1/2024	Dwelling	4.49%
Stillwater Insurance Group	Stillwater Insurance Group	018606	WA	33.60%	7/11/2024	Dwelling	0.29%
Stillwater Insurance Group	Stillwater Insurance Company	012478	WA	33.60%	7/11/2024	Dwelling	0.29%
	Homeowners of America Ins Co	013125	TX	31.60%	1/1/2024	Dwelling	1.27%
Ohio Mutual Insurance Group	Ohio Mutual Insurance Group	003348	ME	30.30%	3/15/2024	Dwelling	0.56%
Ohio Mutual Insurance Group	Casco Indemnity Company	000611	ME	30.30%	3/15/2024	Dwelling	0.55%
	Madison Mutual Ins Co (IL)	000575	MO	29.60%	4/15/2024	Dwelling	0.12%
Stillwater Insurance Group	Stillwater Insurance Group	018606	OR	29.40%	6/14/2024	Dwelling	0.25%
Stillwater Insurance Group	Stillwater Property and Casualty Ins Co	004496	OR	29.40%	6/14/2024	Dwelling	0.25%
Celina Insurance Group	Celina Insurance Group	000244	IN	29.30%	1/1/2024	Dwelling	0.50%
Celina Insurance Group	National Mutual Insurance Company	002078	IN	29.30%	1/1/2024	Dwelling	0.17%
Tower Hill Group	Tower Hill Group	018636	TN	28.53%	10/15/2024	Dwelling	0.14%
Tower Hill Group	Tower Hill Prime Insurance Company	012359	TN	28.53%	10/15/2024	Dwelling	0.14%
Heritage Ins Holdings Group	Heritage Ins Holdings Group	018891	CT	28.00%	6/1/2024	Dwelling	1.52%
Heritage Ins Holdings Group	Narragansett Bay Insurance Company	001750	CT	28.00%	6/1/2024	Dwelling	1.52%
Shelter Insurance Companies	Shelter Insurance Companies	000598	IA	27.90%	2/11/2024	Dwelling	0.44%
Shelter Insurance Companies	Shelter Mutual Insurance Company	002319	IA	27.90%	2/11/2024	Dwelling	0.41%
Ohio Mutual Insurance Group	Ohio Mutual Insurance Group	003348	CT	27.60%	2/15/2024	Dwelling	0.37%
Ohio Mutual Insurance Group	Casco Indemnity Company	000611	CT	27.60%	2/15/2024	Dwelling	0.37%
Tower Hill Group	Tower Hill Group	018636	MS	26.90%	1/1/2024	Dwelling	0.28%
Tower Hill Group	Tower Hill Prime Insurance Company	012359	MS	26.90%	1/1/2024	Dwelling	0.28%
	Madison Mutual Ins Co (IL)	000575	IL	25.20%	4/15/2024	Dwelling	0.12%
	Casualty Corp of America Inc	003209	OK	25.00%	3/28/2024	Dwelling	0.24%
	Friends Cove Mutual Ins Co	004710	PA	25.00%	3/1/2024	Dwelling	0.06%
Allstate Insurance Group	Allstate Insurance Group	000008	CA	25.00%	6/30/2024	Dwelling	3.49%
Allstate Insurance Group	Encompass Insurance Company	011794	CA	25.00%	6/30/2024	Dwelling	0.19%
Horace Mann Insurance Group	Horace Mann Insurance Group	004934	NM	25.00%	1/1/2024	Dwelling	0.10%
Horace Mann Insurance Group	Horace Mann Insurance Company	003359	NM	25.00%	1/1/2024	Dwelling	0.03%

North Carolina Dwelling Approved Rate Filings by Overall Effect With Increases Greater Than 3%

Based on an effective date beginning on Jan. 1, 2020, through Dec. 31, 2024.

Group Name	Company Name	AMB#	Overall Effect	Effective Date	Program	Best's State Line - P/C US Market Share %
Liberty Mutual Insurance Cos	Liberty Mutual Insurance Cos	000060	18.02%	9/11/2023	Dwelling	4.09%
Liberty Mutual Insurance Cos	State Auto Property & Casualty Ins Co	002475	18.02%	9/11/2023	Dwelling	0.14%
Liberty Mutual Insurance Cos	Liberty Mutual Insurance Cos	000060	13.00%	6/25/2022	Dwelling	4.09%
Liberty Mutual Insurance Cos	Milbank Insurance Company	000628	13.00%	6/25/2022	Dwelling	0.47%
	Armed Forces Ins Exchange	003240	9.40%	6/1/2023	Dwelling	0.05%
	Armed Forces Ins Exchange	003240	8.86%	11/1/2021	Dwelling	0.05%
The Cincinnati Insurance Cos	The Cincinnati Insurance Cos	004294	6.52%	7/1/2020	Dwelling	1.19%
The Cincinnati Insurance Cos	Cincinnati Insurance Company	000258	6.52%	7/1/2020	Dwelling	1.08%
Progressive Insurance Group	Progressive Insurance Group	000780	5.50%	2/11/2022	Dwelling	1.27%
Progressive Insurance Group	American Strategic Insurance Corp.	012150	5.50%	2/11/2022	Dwelling	1.25%
Progressive Insurance Group	Progressive Insurance Group	000780	5.50%	11/1/2021	Dwelling	1.27%
Progressive Insurance Group	American Strategic Insurance Corp.	012150	5.50%	11/1/2021	Dwelling	1.25%
American Family Ins Group	American Family Ins Group	000124	3.40%	7/1/2020	Dwelling	2.21%
American Family Ins Group	NGM Insurance Company	000678	3.40%	7/1/2020	Dwelling	0.21%
State Auto Insurance Companies	State Auto Insurance Companies	000856	3.30%	7/1/2020	Dwelling	0.84%
State Auto Insurance Companies	Milbank Insurance Company	000628	3.30%	7/1/2020	Dwelling	0.47%

Note: The State Rate listings include multiple rows with the filing company (or companies) and its group together.

Source: Best's State Rate Filings; data as of July 18, 2024.

—Anthony Bellano



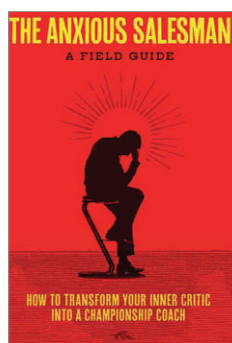
Scan for the full list or to get more on this and other Best's State Rate Filings.

Author: Transforming Inner Dialogue Helps Unlock Sales Excellence

In his book, J. Sheldon Snodgrass empowers insurers and agents to help them find success and inner peace.



The Anxious Salesman: A Field Guide: How to Transform Your Inner Critic into a Championship Coach



Insurance agents often struggle with silencing their inner critic, which can manifest as rationalization, justification or self-criticism. Not only can that inner critic undermine performance, but it can also diminish joy and peace of mind, said J. Sheldon Snodgrass, owner of *SteadySales.com* and author of *The Anxious Salesman: A Field Guide: How to Transform Your Inner Critic into a*

Championship Coach.

It is essential for agents to transform their inner critic into a supportive inner coach—a shift that can motivate and empower them to achieve excellence in sales and enjoy their work more fully, he said.

Following is an edited transcript of the interview with Snodgrass.

Can you tell us about your book and how the idea for it came about?

Amidst periods of struggle, spotty earnings and inconsistency, I knew I had good sales skills but couldn't figure out how to integrate the training, conferences and expert advice I was consuming. I wanted not only to achieve higher, more consistent earnings but also to find joy, peace of mind and ease in my work. Ten years ago, my erratic experience began to stabilize, and I wanted

Lori Chordas is a senior associate editor. She can be reached at lori.chordas@ambest.com.

to capture all this hard-won wisdom to pay it forward and share it with other sales professionals facing similar struggles. Many salespeople I've spoken with, especially in the insurance industry, struggle with an inner critic that can sap much of their power.

Can you tell us more about that inner critic and some of the common ways it can undermine or sabotage an agent's performance?

We could substitute the word "critic" with a limiting belief, primal state or many other terms, but it's that voice that can creep up and sabotage us. Anyone who has ever made a resolution or attempted something significant is familiar with the voice that says, "You'll never do it. You failed last time, so why even bother?"

What exercises, techniques or affirmations can help agents silence their inner critic?

During my M16 rifle qualification test in the Army, I felt a sense of anxiety and practiced the exercise: breathe, relax, aim. We need awareness, and transforming the voice of the critic into a coach requires silence. The critic screams, hisses and yells, but a coach whispers and speaks softly. In the first step—breathe—it's important to feel it and not fight it. When we experience a negative emotion, we often want to get rid of it. But by breathing, you lean in and feel it coursing through your body. You cannot will a negative emotion away. By relaxing, we recognize that we've been here before, and it does not define us.

BR

—Lori Chordas

AM Best TV



Scan to watch the interview with J. Sheldon Snodgrass.

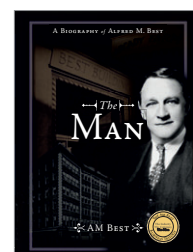
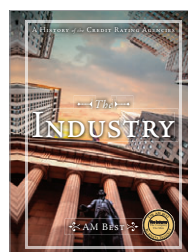
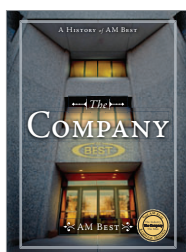
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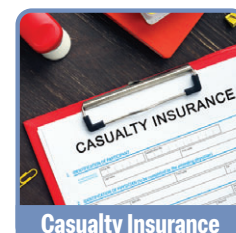
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5. AM Best Removes From Under Review With Positive Implications and Upgrades Issuer Credit Rating of American Surety Company



Casualty Insurance

Trending: AM Best Informational Webinars

1. The Case for Engaging Defense Counsel Pre-Lawsuit



Courts

Trending: AM Best TV - Best's News

1. Ryan Specialty Executives: Succession Plan Builds on Founder's Legacy and M&A Strategy
2. Beazley's Straker and Westhoff: Nearly 33% of US Execs Cite Political Risk as Top Threat
3. Cautious Optimism: Insurance Women Leaders See Progress, but More Work Ahead
4. Insurance Regulators Sharpen Focus on AI, Machine Learning To Ensure Fairness
5. TMPAA Attendees: Successful MGAs Focus on Specialization, Niche Expertise



M&A

These were the top trending items from May 23–July 23, 2024. Mobile app articles were the top stories from July 1–31, 2024. Features, news articles and videos were based on page views. Webinars were based on webinar attendance.

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Trending Research Features Special Reports on Reinsurance and Mortgages

Other trending research includes a market segment report on the U.S. cyber insurance market.

Trending: Best's Special Reports

1. The 2023 Reinsurer Class — The Class That Never Was
2. First Look: Three-Month 2024 Property/Casualty Financial Results \$
3. 2023 P/C Snapshot: Personal Auto and Homeowners Results Continue To Dampen P/C Underwriting Performance \$
4. Mortgages 90 Days Overdue Double in 2023 \$



Reinsurance

Trending: Best's Market Segment Reports

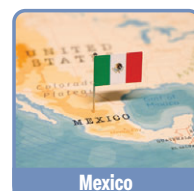
1. US Cyber: Hot Pricing Cools Off, Rapid Growth Stalls \$
2. Market Segment Outlook: United Kingdom Life Insurance
3. Rapidly Increasing MGA Premiums Warrant Greater Oversight
4. Market Segment Outlook: Global Reinsurance



Cyber

Trending: Best's Commentary

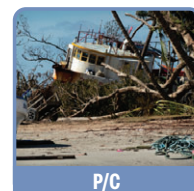
1. Mexico Insurance: New Cat Bond Issuance Fundamental for Disaster Risk Management



Mexico

Trending: Best's Research Via AM Best Mobile App

1. Special Report: 2023 P/C Snapshot: Personal Auto and Homeowners Results Continue To Dampen P/C Underwriting Performance \$
2. Special Report: First Look: Three-Month 2024 US Property/Casualty Financial Results \$
3. 2024 Best's Rankings: U.S. Property/Casualty - 2023 Direct Premiums Written by Line Direct Premiums Written Increased 10.5% \$
4. Market Segment Report: Market Segment Outlook: France Non-Life Insurance



P/C

Trending: AM Best Analytical Briefings

1. AM Best's Briefing: The State of the Florida Property Market Ahead of the 2024 Hurricane Season
2. AM Best's Briefing — Delegated Underwriting Authority Enterprises: Keeping Up With Market Dynamics
3. AM Best's Briefing — Medical Professional Liability Sector: The State of the U.S. Market
4. AM Best's Briefing — Casualty: How Insurers Are Managing Social Inflation and Mass Tort Risk



Hurricanes

Trending: AM Best TV - Best's Research

1. AM Best: Global Reinsurance Segment Revised to Positive
2. AM Best Director Highlights Importance of Stress Testing in Rating Process
3. AM Best: The 2023 Reinsurer Class — The Class That Never Was
4. AM Best: Annuity Premiums Soar; Surrender Protection Strengthens



Global Reinsurance

These were the top trending research and commentary reports from May 23–July 23, 2024. Mobile app reports were from July 1–31, 2024.

\$ Payment or subscription required.

Best's News & Research Service subscribers can download PDF copies of all Best's Special Reports, Best's Commentaries and Best's Market Segment Reports along with supporting spreadsheet data at www.ambest.com.

Note: Best's Research includes Best's Special Reports, Best's Market Segment Reports, Best's Commentary and AM Best Analytical Briefings.



Panelists To Examine the Current State of the Surplus Lines Market

Professionals also discuss the importance of stress testing for (re)insurers and explore litigation in the energy production industry.

Streaming Live

State of Today's Surplus Lines Market

Industry leaders in the surplus lines sector of the U.S. insurance market review the market and discuss highlights of a new report on that sector. **This AM Best Webinar is sponsored by the WSIA Education Foundation.**

Wednesday, Sept. 18, 11 a.m. ET.

AM Best's Briefing: Stress Testing in (Re)insurers? Stress Testing To Improve Insurers' Responses to New and Emerging Risks

Stress testing is vital for (re)insurance companies to assess their resilience to adverse scenarios and is an important factor in assessing their financial strength. A proactive approach can enable companies to avoid major losses and better understand their risk profile. AM Best senior analysts discuss how stress testing is considered within the insurance credit rating process and review common stress testing that is performed. Other topics of discussion include the importance of stress testing for (re)insurance firms; what analysts are paying close attention to when trying to determine a company's financial strength and its resilience; and the value of a proactive approach to risk. Host Davis Iyasere, secretary general/CEO, West African Insurance Companies Association, is joined by panelists Tim Prince, director, analytics, and Ben Diaz-Clegg, associate director, analytics, both of AM Best; and Bubacarr Jarju, managing director, Gambia National Insurance Company Ltd., and president, WAICA. **This AM Best Webinar is brought to you in association with the West African Insurance Companies Association (WAICA).**

Tuesday, Sept. 17, 9 a.m. GMT/UTC.

AM Best's Webinar - Trends in Oil and Gas Pipeline, Wellsite and Energy Production Injury Litigation

Insurance professionals and expert witnesses will examine the issues driving litigation in the energy

production industry and what insurers should know about this evolving sector. Panelists include Janine McCartney, expert witness/senior safety engineer, HHC Safety Engineering Services Inc.; Darren Newberry, shareholder, Marshall Dennehey; and Ava Hernández, litigation consultant, Courtroom Sciences. **This AM Best Webinar is hosted by Best's Insurance Professional Resources.**

Tuesday, Sept. 17, 2 p.m. ET.

On Demand

AM Best's Briefing – Captives: Solid Performance and Innovation Continues

AM Best's analytical captive team and industry experts examine the recent performance of the captive sector and other alternative risk transfer instruments. Topics of discussion include current and expected market conditions for the captive industry; how ART entities are navigating the hard market conditions and recent performance; efficiencies the captive industry is trying to realize; noticeable trends in new formations and ART structure types; and thoughts on emerging risks within the industry. Moderator Lee McDonald, senior vice president, AM Best, is joined by panelists Jo Mather, insurance director, Phillips 66; Steve McElhiney, SVP & global director of reinsurance, Artex Risk Solutions; and Dan Teclaw, director, AM Best.

IMCA and AM Best Marketing Leader Lunch: How AI Is Revolutionizing Insurance Marketing

Insurance marketing professionals discuss the use of artificial intelligence in their jobs and organizations; where AI fits into marketing workflows; and how the various platforms meet insurance marketers' needs. Lori Chordas, AM Best senior associate editor, and Dave Evans, senior associate, Aartrijk, and IMCA CMO Council member, are joined by panelists Anne Ellis, vice president, marketing, Crum & Forster; Kasey Connors, vice president, marketing operations, Trusted Choice; and Mitch Dunford, chief marketing officer, Risk & Insurance Education Alliance. **This AM Best Webinar was a joint presentation of AM Best and the Insurance Marketing & Communications Association (IMCA) CMO Council**

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MGAs, MGUs, Program Managers, Coverholders: Want to stand out to insurers who need your services? Scan the code to find out how a Best's Performance Assessment for Delegated Underwriting Authority Enterprises can set you apart from your competition.





Lockton Exec: US Commercial Insurance Market Negotiating Increased Competition, Economy, Geopolitics

Also, professionals discuss the solar industry's need for improved data and risk strategies and the effects of embedded insurance.

On Demand

Lockton's Moitoso: Intensified Competition Stabilizes US Commercial Insurance Market

Mark Moitoso, executive vice president, risk practices leader, Lockton Cos., discusses how increased competition and the current economic and geopolitical climate are impacting the U.S. commercial insurance market.



Mark Moitoso

KWh Analytics' Kaminsky: Solar Industry's Surge in 2023 Highlights Need for Improved Data, Risk Strategies

KWh Analytics CEO Jason Kaminsky said the solar industry's ongoing expansion, supported by the Inflation Reduction Act and the growing need for clean energy, emphasizes the necessity for detailed data, asset protection and collaboration among industry leaders.



Jason Kaminsky

VIU by Hub's Davis: Embedded Insurance Revolutionizing Distribution

Bryan Davis, president, VIU by Hub, discusses how embedded insurance opens up new distribution channels and broadens market reach, tapping into customer bases that might not actively seek out insurance.



Bryan Davis

Kroll's Donahue: Rising Disputes, Aging Infrastructure Impact Fixed Assets

Matthew Donahue, managing director, fixed asset advisory services, Kroll, discusses the impact of technology, inflation and regulatory changes on asset management, and strategies to navigate economic uncertainties.



Matthew Donahue



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Economy, Supply-Chain Disruption, Political Uncertainty Top Risk Concerns Heading Into 2025, Report Says

Also, AM Best Audio explores the divergent evolution of the shipping industry, with lost vessels hitting a record low in 2023.

Hartford Financial's *Risk Monitor* Highlights Top Risks Heading Into 2025

Mo Tooker, head of commercial lines for Hartford Financial, discusses the findings of the *Risk Monitor*, which surveys broker and customer top risk concerns. Among those concerns are the economy, supply-chain disruption and political uncertainty.

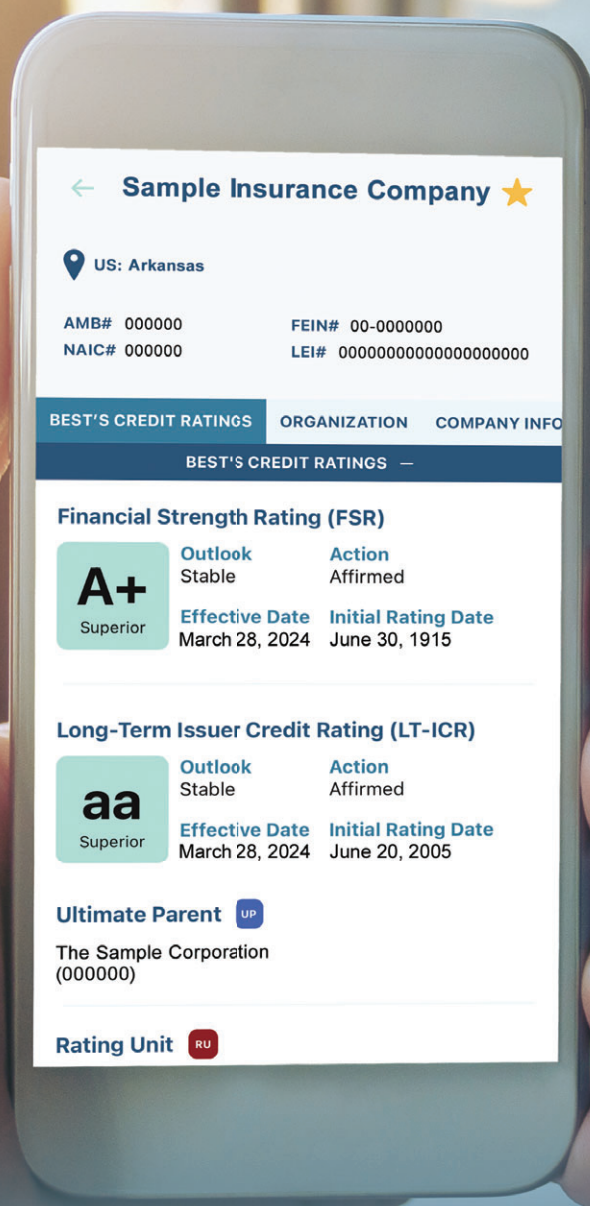
Allianz's Khanna: Shipping Industry Evolving in Two Different Directions

Rahul Khanna, global head of marine risk consulting at Allianz Commercial, says that lost vessels hit a record low in 2023, but fires aboard large container ships have increased.

BR



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This edition lists all Credit Rating actions that occurred between July 1 and July 31, 2024. For the Credit Rating of any company rated by AM Best and basic company information, visit the AM Best website at www.ambest.com/ratings/access.html or download the ratings app at www.ambest.com/sales/ambmobileapp.

Operating Companies

Rating Action	Business Type	Company Name/ Ultimate Parent	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
AMERICAS LIFE/HEALTH								
Under Review	L	American National Insurance Company Brookfield Reinsurance Ltd.	006087	A u a+ u	Developing Developing	A a+	Stable Stable	Texas, USA
Under Review	L	American National Life Ins Co of NY Brookfield Reinsurance Ltd.	006365	A u a+ u	Developing Developing	A a+	Stable Stable	New York, USA
Under Review	H	American National Life Ins Co of Texas Brookfield Reinsurance Ltd.	007417	A u a+ u	Developing Developing	A a+	Stable Stable	Texas, USA
Rating Withdrawal	L	Athora Life Re Ltd. ¹ Athora Holding Ltd.	095382	NR nr		A- a-	Stable Stable	Bermuda
Outlook Change	L	Bermuda Life Insurance Company Limited Argus Group Holdings Limited	086636	A- u a- u	Positive Positive	A- u a- u	Developing Developing	Bermuda
Under Review	L	BF&M Life Insurance Company Limited BF&M Limited	084740	A u a u	Developing Developing	A a	Stable Stable	Bermuda
Under Review	H	ConnectiCare, Inc. EmblemHealth, Inc.	068517	C u ccc u	Developing Developing	C ccc	Negative Negative	Connecticut, USA
Initial Rating	H	CVS Caremark Indemnity Ltd. CVS Health Corporation	056561	A a	Stable Stable			Bermuda
Under Review	H	EmblemHealth Insurance Company EmblemHealth, Inc.	008034	C u ccc u	Developing Developing	C ccc	Negative Negative	New York, USA
Under Review	H	EmblemHealth Plan, Inc. EmblemHealth, Inc.	064601	C u ccc u	Developing Developing	C ccc	Negative Negative	New York, USA
Outlook Change	L	EquiTrust Life Insurance Company June Bug Lifetime Trust	060315	B++ bbb+	Positive Positive	B++ bbb+	Stable Stable	Arizona, USA
Under Review	L	Garden State Life Insurance Company Brookfield Reinsurance Ltd.	006436	A u a u	Developing Developing	A a	Stable Stable	Texas, USA
Outlook Change	L	GBU Financial Life	008161	A- a-	Positive Positive	A- a-	Stable Stable	Pennsylvania, USA
Under Review	H	Health Ins Plan of Greater New York EmblemHealth, Inc.	068985	C u ccc u	Developing Developing	C ccc	Negative Negative	New York, USA
Outlook Change	L	Lincoln Heritage Life Insurance Company Londen Insurance Group, Inc.	006694	A- a-	Positive Positive	A- a-	Stable Stable	Illinois, USA
Downgrade	L	National Security Insurance Company VR Insurance SPV, LLC	006802	B u bb u	Negative Negative	B++ u bbb u	Negative Negative	Alabama, USA
Under Review	H	Physicians Health Plan of Northern IN Physicians Health Plan of Northern IN	068743	B++ u bbb u	Positive Positive	B++ bbb	Stable Stable	Indiana, USA
Under Review	L	SCOR Global Life Americas Reinsurance Co SCOR SE	006555	A u a+ u	Developing Developing	A a+	Stable Stable	Delaware, USA
Under Review	L	SCOR Global Life Reins Co of Delaware SCOR SE	060212	A u a+ u	Developing Developing	A a+	Stable Stable	Delaware, USA
Under Review	L	SCOR Global Life USA Reinsurance Company SCOR SE	009189	A u a+ u	Developing Developing	A a+	Stable Stable	Delaware, USA
Under Review	H	Unified Life Insurance Company Obra Capital, Inc.	060366	B u bb+ u	Developing Developing	B bb+	Stable Stable	Texas, USA
AMERICAS PROPERTY/CASUALTY								
Under Review	P	American National County Mutual Ins Co Brookfield Reinsurance Ltd.	010255	A u a+ u	Developing Developing	A a+	Stable Stable	Texas, USA
Under Review	P	American National General Insurance Co Brookfield Reinsurance Ltd.	002803	A u a+ u	Developing Developing	A a+	Stable Stable	Missouri, USA

¹ The ratings of a-/A- were affirmed on July 26, 2024, and subsequently withdrawn.

Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Nonlife); L = Life; H = Health; T = Title; C = Composite.
Opinion Modifiers: u = Under Review; sf = Structured Finance; i = Indicative Credit Rating Modifier; s = Syndicate Credit Rating Modifier

Rating Action	Business Type	Company Name/ Ultimate Parent	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
AMERICAS PROPERTY/CASUALTY (CONTINUED)								
Under Review	P	American National Lloyds Insurance Co Brookfield Reinsurance Ltd.	011700	A u a+ u	Developing Developing	A a+	Stable Stable	Texas, USA
Under Review	P	American National Property & Casualty Co Brookfield Reinsurance Ltd.	003533	A u a+ u	Developing Developing	A a+	Stable Stable	Missouri, USA
Upgrade	P	American Surety Company Core Specialty Insurance Holdings, Inc.	002557	B++ bbb+	Positive Positive	B++ u bbb u	Positive Positive	Indiana, USA
Outlook Change	P	Argus Insurance Company Limited Argus Group Holdings Limited	090076	A- u a- u	Positive Positive	A- u a- u	Developing Developing	Bermuda
Outlook Change	P	Associated Employers Insurance Company Associated Industries of MA Mut Ins Co	012463	A a	Stable Positive	A a	Stable Stable	Massachusetts, USA
Outlook Change	P	Associated Industries of MA Mut Ins Co Associated Industries of MA Mut Ins Co	011041	A a	Stable Positive	A a	Stable Stable	Massachusetts, USA
Upgrade	P	Beazley America Insurance Company, Inc. Beazley plc	020651	A a+	Stable Stable	A a	Stable Positive	Connecticut, USA
Upgrade	P	Beazley Excess and Surplus Ins, Inc. Beazley plc	021670	A a+	Stable Stable	A a	Stable Positive	Connecticut, USA
Upgrade	P	Beazley Insurance Company, Inc. Beazley plc	011442	A a+	Stable Stable	A a	Stable Positive	Connecticut, USA
Under Review	P	BF&M General Insurance Company Ltd BF&M Limited	084739	A u a u	Developing Developing	A a	Stable Stable	Bermuda
Upgrade	P	CAMICO Mutual Insurance Company	010748	A- a-	Stable Stable	B++ bbb+	Positive Positive	California, USA
Initial Rating	P	Cincinnati Equitable Insurance Company Michigan Farm Bureau	003228	A- a-	Stable Stable	NR nr		Ohio, USA
Outlook Change	P	CSAA Affinity Insurance Company CSAA Insurance Exchange	000546	A a+	Stable Negative	A a+	Stable Stable	Arizona, USA
Outlook Change	P	CSAA Fire & Casualty Insurance Company CSAA Insurance Exchange	012211	A a+	Stable Negative	A a+	Stable Stable	Indiana, USA
Outlook Change	P	CSAA General Insurance Company CSAA Insurance Exchange	011042	A a+	Stable Negative	A a+	Stable Stable	Indiana, USA
Outlook Change	P	CSAA Insurance Exchange CSAA Insurance Exchange	000228	A a+	Stable Negative	A a+	Stable Stable	California, USA
Initial Rating	P	Falcon Indemnity Company, Inc. Falcon Insurance Group	021736	A- a-	Stable Stable			Utah, USA
Under Review	P	Farm Family Casualty Insurance Company Brookfield Reinsurance Ltd.	000362	A u a+ u	Developing Developing	A a+	Stable Stable	New York, USA
Outlook Change	P	Fortential Insurance Company CSAA Insurance Exchange	011241	A a+	Stable Negative	A a+	Stable Stable	New Jersey, USA
Initial Rating	P	Galaxy Indemnity Company, Inc. Falcon Insurance Group	021792	A- a-	Stable Stable			Utah, USA
Under Review	P	General Security Indemnity Co of Arizona SCOR SE	002837	A u a+ u	Developing Developing	A a+	Stable Stable	Arizona, USA
Under Review	P	General Security National Insurance Co SCOR SE	002665	A u a+ u	Developing Developing	A a+	Stable Stable	New York, USA
Initial Rating	P	Golden Eagle Insurance Company, Inc. Falcon Insurance Group	021793	A- a-	Stable Stable			Utah, USA
Outlook Change	P	Massachusetts Employers Insurance Co Associated Industries of MA Mut Ins Co	013818	A a	Stable Positive	A a	Stable Stable	Massachusetts, USA
Outlook Change	P	Mobilitas General Insurance Company CSAA Insurance Exchange	012049	A a+	Stable Negative	A a+	Stable Stable	Arizona, USA
Outlook Change	P	Mobilitas Insurance Company CSAA Insurance Exchange	020628	A a+	Stable Negative	A a+	Stable Stable	Arizona, USA
Outlook Change	P	Mobilitas Insurance Company of Arizona CSAA Insurance Exchange	020790	A a+	Stable Negative	A a+	Stable Stable	Arizona, USA

Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Nonlife); L = Life; H = Health; T = Title; C = Composite.
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Rating Action	Business Type	Company Name/ Ultimate Parent	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
AMERICAS PROPERTY/CASUALTY (CONTINUED)								
Rating Withdrawal	P	Mt. Morris Mutual Insurance Company ² Mt. Morris Mutual Insurance Company	010723	NR nr		B++ u bbb u	Negative Negative	Wisconsin, USA
Outlook Change	P	Mutual Benefit Insurance Company Mutual Benefit Insurance Company	003149	A- a-	Negative Negative	A- a-	Stable Stable	Pennsylvania, USA
Downgrade	P	National Security Fire and Casualty Co VR Insurance SPV, LLC	000687	B u bb u	Negative Negative	B++ u bbb u	Negative Negative	Alabama, USA
Outlook Change	P	New Hampshire Employers Insurance Co Associated Industries of MA Mut Ins Co	013862	A a	Stable Positive	A a	Stable Stable	New Hampshire, USA
Initial Rating	P	New Horizon Insurance Company NHIC Holdings, LLC	023018	B++ bbb+	Stable Stable	NR nr		Texas, USA
Downgrade	P	New York Schools Insurance Reciprocal	010807	B bb	Negative Negative	A- a-	Negative Negative	New York, USA
Downgrade	P	Omega One Insurance Company, Inc. VR Insurance SPV, LLC	011413	B- u bb- u	Negative Negative	B+ u bbb- u	Negative Negative	Alabama, USA
Upgrade	P	Palomar Excess and Surplus Insurance Co Palomar Holdings, Inc.	020907	A a	Stable Stable	A- a-	Positive Positive	Arizona, USA
Upgrade	P	Palomar Specialty Insurance Company Palomar Holdings, Inc.	022031	A a	Stable Stable	A- a-	Positive Positive	Oregon, USA
Upgrade	P	Palomar Specialty Reins Co Bermuda Ltd. Palomar Holdings, Inc.	094465	A a	Stable Stable	A- a-	Positive Positive	Bermuda
Under Review	P	SCOR Canada Reinsurance Company SCOR SE	085445	A u a+ u	Developing Developing	A a+	Stable Stable	Ontario, CAN
Under Review	P	SCOR Reinsurance Company SCOR SE	003599	A u a+ u	Developing Developing	A a+	Stable Stable	New York, USA
Outlook Change	P	Select Risk Insurance Company Mutual Benefit Insurance Company	004765	A- a-	Negative Negative	A- a-	Stable Stable	Pennsylvania, USA
Outlook Change	P	Stonetrust Commercial Insurance Company Chou Associates Management Inc.	012429	A- a-	Positive Positive	A- a-	Stable Stable	Nebraska, USA
Outlook Change	P	Stonetrust Premier Casualty Insurance Co Chou Associates Management Inc.	020725	A- a-	Positive Positive	A- a-	Stable Stable	Nebraska, USA
Outlook Change	P	Tennessee Farmers Assurance Company Tennessee Farmers Mutual Insurance Co	011206	A+ aa	Stable Negative	A+ aa	Stable Stable	Tennessee, USA
Outlook Change	P	Tennessee Farmers Mutual Insurance Co Tennessee Farmers Mutual Insurance Co	000886	A+ aa	Stable Negative	A+ aa	Stable Stable	Tennessee, USA
Under Review	P	United Farm Family Insurance Company Brookfield Reinsurance Ltd.	010701	A u a+ u	Developing Developing	A a+	Stable Stable	New York, USA
Downgrade	P	Westminster American Insurance Company Scott Insurance Holdings, LLC	004198	A- u a- u	Negative Negative	A u a+ u	Negative Negative	North Dakota, USA
EUROPE, MIDDLE EAST & AFRICA								
Outlook Change	C	Al Ahleia Insurance Company S.A.K.P. Al Ahleia Insurance Company S.A.K.P.	086804	A- a-	Positive Positive	A- a-	Stable Stable	Kuwait
Rating Withdrawal	L	Athora Ireland plc ¹ Athora Holding Ltd.	077712	NR nr		A- a-	Stable Stable	Ireland
Upgrade	P	Beazley Insurance DAC Beazley plc	091197	A a+	Stable Stable	A a	Stable Positive	Ireland
Initial Rating	P	Egyptian Takaful Ins Co for prop & liab	094288	B- bb-	Stable Stable	NR nr		Egypt
Outlook Change	C	Kuwait Reinsurance Company K.S.C.P. Al Ahleia Insurance Company S.A.K.P.	085585	A- a-	Positive Positive	A- a-	Stable Stable	Kuwait
Under Review	L	Lombard International Assurance S.A. BTO LIA Holdings (Cayman), L.P.	077132	A- u a- u	Developing Developing	A- a-	Negative Negative	Luxembourg
Outlook Change	P	Mutua de Riesgo Marítimo, Sociedad	083690	B++ bbb	Stable Stable	B++ bbb	Negative Negative	Spain

¹The ratings of a-/A- were affirmed on July 26, 2024, and subsequently withdrawn.

²The ratings of bbb+/B++ were downgraded to bbb/B++ on July 19, 2024, and subsequently withdrawn on July 22, 2024. (Note: Only the LT ICR was downgraded.)

Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Nonlife); L = Life; H = Health; T = Title; C = Composite. **Opinion Modifiers:** u = Under Review; sf = Structured Finance; i = Indicative Credit Rating Modifier; s = Syndicate Credit Rating Modifier

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Rating Action	Business Type	Company Name/ Ultimate Parent	AMB#	Current		Previous		Domicile
				FSR ICR	Outlook/ Implications	FSR ICR	Outlook/ Implications	
EUROPE, MIDDLE EAST & AFRICA (CONTINUED)								
Under Review	C	SCOR SE SCOR SE	085027	A u a+ u	Developing Developing	A a+	Stable Stable	France
Under Review	P	SCOR UK Company Limited SCOR SE	085448	A u a+ u	Developing Developing	A a+	Stable Stable	United Kingdom
Rating Withdrawal	P	Validus Reinsurance (Switzerland) Ltd.	078516	NR nr		A a	Stable Stable	Switzerland
ASIA-PACIFIC								
Outlook Change	P	EFU General Insurance Limited EFU General Insurance Limited	077151	B- bb-	Stable Stable	B- bb-	Negative Negative	Pakistan
Outlook Change	C	JSC Insurance Company Aldagi Group Georgia Capital PLC	088288	B bb+	Positive Positive	B bb+	Stable Stable	Georgia
Outlook Change	P	Police Health Plan Limited New Zealand Police Association	091290	A- a-	Negative Negative	A- a-	Stable Stable	New Zealand
Under Review	C	SCOR Reinsurance Asia-Pacific Pte Ltd SCOR SE	088684	A u a+ u	Developing Developing	A a+	Stable Stable	Singapore
Rating Withdrawal	L	Thaire Life Assurance Public Co Ltd ³	091691	NR nr		B++ bbb+	Stable Stable	Thailand
AMERICAS								
Upgrade	C	Aseguradora General, S.A. Luensi, S.A.	078162	B++ bbb+	Stable Stable	B++ bbb	Stable Positive	Guatemala
Rating Withdrawal	P	AVLA Seguros, S.A. de C.V. ⁴ AVLA Bermuda Holding Corp Ltd.	074937	NR nr		B+ bbb-	Negative Negative	Mexico
Under Review	P	Island Heritage Insurance Company, Ltd. BF&M Limited	086644	A u a u	Developing Developing	A a	Stable Stable	Cayman Islands
Initial Rating	C	Reaseguradora Santo Domingo, S.A.	092876	B bb+	Stable Stable	NR nr		Dominican Republic

Holding Companies

Rating Action	Company Name	AMB#	Current		Previous		Domicile
			ICR	Outlook/ Implications	ICR	Outlook/ Implications	
Outlook Change	Argus Group Holdings Limited	078393	bbb- u	Positive	bbb- u	Developing	Bermuda
Under Review	BF&M Limited	084104	bbb u	Developing	bbb	Stable	Bermuda
Under Review	LIA Holdings Limited	046085	bbb- u	Developing	bbb-	Negative	United Kingdom
Upgrade	Palomar Holdings, Inc.	033566	bbb	Stable	bbb-	Positive	Delaware, USA

³ The ratings of bbb+/B++ were affirmed on July 11, 2024, and subsequently withdrawn.

⁴ The ratings of bbb-/B+ were affirmed on July 19, 2024, and subsequently withdrawn.

Outlook: Positive, Negative, Stable. **Implications:** Positive, Negative, Developing. **Business Type:** P = Property/Casualty (Nonlife); L = Life; H = Health; T = Title; C = Composite.

Opinion Modifiers: u = Under Review; sf = Structured Finance; i = Indicative Credit Rating Modifier; s = Syndicate Credit Rating Modifier

GUIDE TO BEST'S FINANCIAL STRENGTH RATINGS – (FSR)

A Best's Financial Strength Rating (FSR) is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. An FSR 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. An FSR 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. In addition, an FSR may be displayed with a rating identifier, modifier or affiliation code that denotes a unique aspect of the opinion.

Best's Financial Strength Rating (FSR) Scale

Rating Categories	Rating Symbols	Rating Notches*	Category Definitions
Superior	A+	A++	Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
Excellent	A	A-	Assigned to insurance companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
Good	B+	B++	Assigned to insurance companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
Fair	B	B-	Assigned to insurance companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Marginal	C+	C++	Assigned to insurance companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Weak	C	C-	Assigned to insurance companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions.
Poor	D	-	Assigned to insurance companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.

* Each Best's Financial Strength Rating Category from "A+" to "C" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+" or a minus "-".

Financial Strength Non-Rating Designations

Designation Symbols	Designation Definitions
E	Status assigned to insurers that are publicly placed, via court order into conservation or rehabilitation, or the international equivalent, or in the absence of a court order, clear regulatory action has been taken to delay or otherwise limit policyholder payments.
F	Status assigned to insurers that are publicly placed via court order into liquidation after a finding of insolvency, or the international equivalent.
S	Status assigned to rated insurance companies to suspend the outstanding FSR when sudden and significant events impact operations and rating implications cannot be evaluated due to a lack of timely or adequate information; or in cases where continued maintenance of the previously published rating opinion is in violation of evolving regulatory requirements.
NR	Status assigned to insurance companies that are not rated; may include previously rated insurance companies or insurance companies that have never been rated by AM Best.

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GUIDE TO BEST'S ISSUER CREDIT RATINGS – (ICR)

A Best's Issuer Credit Rating (ICR) is an independent opinion of an entity's ability to meet its ongoing financial obligations and can be issued on either a long- or short-term basis. A Long-Term ICR is an opinion of an entity's ability to meet its ongoing senior financial obligations, while a Short-Term ICR is an opinion of an entity's ability to meet its ongoing financial obligations with original maturities generally less than one year. An ICR is an opinion regarding the relative future credit risk of an entity. Credit risk is the risk that an entity may not meet its contractual financial obligations as they come due. An ICR does not address any other risk. In addition, an ICR is not a recommendation to buy, sell or hold any securities, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser. An ICR may be displayed with a rating identifier or modifier that denotes a unique aspect of the opinion.

Best's Long-Term Issuer Credit Rating (Long-Term ICR) Scale

Rating Categories	Rating Symbols	Rating Notches*	Category Definitions
Exceptional	aaa	-	Assigned to entities that have, in our opinion, an exceptional ability to meet their ongoing senior financial obligations.
Superior	aa	aa+ / aa-	Assigned to entities that have, in our opinion, a superior ability to meet their ongoing senior financial obligations.
Excellent	a	a+ / a-	Assigned to entities that have, in our opinion, an excellent ability to meet their ongoing senior financial obligations.
Good	bbb	bbb+ / bbb-	Assigned to entities that have, in our opinion, a good ability to meet their ongoing senior financial obligations.
Fair	bb	bb+ / bb-	Assigned to entities that have, in our opinion, a fair ability to meet their ongoing senior financial obligations. Credit quality is vulnerable to adverse changes in industry and economic conditions.
Marginal	b	b+ / b-	Assigned to entities that have, in our opinion, a marginal ability to meet their ongoing senior financial obligations. Credit quality is vulnerable to adverse changes in industry and economic conditions.
Weak	ccc	ccc+ / ccc-	Assigned to entities that have, in our opinion, a weak ability to meet their ongoing senior financial obligations. Credit quality is vulnerable to adverse changes in industry and economic conditions.
Very Weak	cc	-	Assigned to entities that have, in our opinion, a very weak ability to meet their ongoing senior financial obligations. Credit quality is very vulnerable to adverse changes in industry and economic conditions.
Poor	c	-	Assigned to entities that have, in our opinion, a poor ability to meet their ongoing senior financial obligations. Credit quality is extremely vulnerable to adverse changes in industry and economic conditions.

* Best's Long-Term Issuer Credit Rating Categories from "aa" to "ccc" include Rating Notches to reflect a gradation within the category to indicate whether credit quality is near the top or bottom of a particular Rating Category. Rating Notches are expressed with a "+" (plus) or "-" (minus).

Best's Short-Term Issuer Credit Rating (Short-Term ICR) Scale

Rating Categories	Rating Symbols	Category Definitions
Strongest	AMB-1+	Assigned to entities that have, in our opinion, the strongest ability to repay their short-term financial obligations.
Outstanding	AMB-1	Assigned to entities that have, in our opinion, an outstanding ability to repay their short-term financial obligations.
Satisfactory	AMB-2	Assigned to entities that have, in our opinion, a satisfactory ability to repay their short-term financial obligations.
Adequate	AMB-3	Assigned to entities that have, in our opinion, an adequate ability to repay their short-term financial obligations; however, adverse industry or economic conditions likely will reduce their capacity to meet their financial commitments.
Questionable	AMB-4	Assigned to entities that have, in our opinion, questionable credit quality and are vulnerable to adverse economic or other external changes, which could have a marked impact on their ability to meet their financial commitments.

Long- and Short-Term Issuer Credit Non-Rating Designations

Designation Symbols	Designation Definitions
d	Status assigned to entities (excluding insurers) that are in default or when a bankruptcy petition or similar action has been filed and made public.
e	Status assigned to insurers that are publicly placed, via court order into conservation or rehabilitation, or the international equivalent, or in the absence of a court order, clear regulatory action has been taken to delay or otherwise limit policyholder payments.
f	Status assigned to insurers that are publicly placed via court order into liquidation after a finding of insolvency, or the international equivalent.
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TALKING HOT TOPICS AND TRENDS: Clockwise from above, John Weber, AM Best senior associate editor, speaks with AgencyBloc's Tim Robinson, chief executive officer, and Cory Schmidt, co-founder and chief technology officer, about their *Insurtech Building Blocs* podcast.

Podcast To Fill Insurance Tech Gaps

AgencyBloc was founded to help fill a technology gap for the underserved health and benefits market, and now it's expanding its mission with the *Insurtech Building Blocs* production.

by John Weber

Sixteen years ago, AgencyBloc was founded to help fill a technology gap for the underserved health and benefits market, providing what it considers a “robust” platform of technological solutions that supports the evolving insurance industry.

Now the company, which is based in Cedar Falls, Iowa, uses technology to expand its service of agencies and insurance marketing functions to automate workflow, aid group benefit enrollment, track activities and improve sales efforts. The company is looking to promote technological advancements in the industry via *Insurtech Building Blocs*, a podcast that takes a macro look at health benefits, health care regulation and senior market insurtech industry happenings and trends.

The hosts are AgencyBloc senior leaders Tim Robinson, chief executive officer, and Cory Schmidt, co-founder and chief technology officer. Following is an edited transcript of an interview with Robinson and Schmidt.

John Weber is a senior associate editor. He can be reached at john.weber@ambest.com.

What was the impetus for putting the podcast together?

Schmidt: So we are in the unique position of actually working with a lot of different folks in the insurance hierarchy. And so anything from small retail, two or three producer agencies, all the way up to very large national IMOs [independent marketing organizations], FMOs [field marketing organizations] and MGAs. And so one of the things that we recognize is a lot of our customers were asking us and interested in the types of things that we're hearing in the industry, the kinds of things that are happening, how they might affect health and benefits agencies, and how to get better connected into that—I guess that news stream, if you will, or that information stream. And so we just thought it'd be really interesting to use it as an opportunity to connect the dots for our customers.

Tell us a little bit about the podcast itself. What sort of subject matter do you tackle?

Robinson: A hot topic lately, as you might imagine, has been the [Centers for Medicare & Medicaid Services changes to Medicare Advantage and prescription drug programs, among other items]. So we try and keep relevant on what's happening in

the space and not just be all about AgencyBloc. That's certainly not the intent. Where we can tie in the work that we're doing at AgencyBloc with what's going on in the industry and with our customers—we really like the opportunity to do that.

What are some of the big questions that you're hoping to answer for your listeners with your podcast?

Robinson: As we've discussed on the CMS [rules], what are the prevailing thoughts around that? Because it is evolving, right? So some of the questions that I want to ensure that we're addressing for our listeners are what are some of the most relevant topics that are impacting or shaping the industry today. That's [CMS rules] certainly being a hot topic at the moment and I think it will be for the foreseeable future.

Any future plans for the podcast?

Robinson: The first five or six months of the podcast, I think a lot of this was Cory and I getting familiar, getting comfortable with the framework and finding topics that would be relevant and I think it's a lot more of the same. We want to find topics that are relevant, that people want to hear about, that they want to speak about, while continuing to pull in customers as well as thought leaders in the space. It would be great to have an even bigger panel discussion where we maybe have four or five guests from time to time.

BR

AM Best TV



Scan to watch to watch the interview with Tim Robinson and Cory Schmidt.

Insurance-Focused Podcasts

A guide to some recent episodes from a selection of insurance industry podcasts.

Agent Survival Guide

July 22: Agent's Guide to Social Media Communication Resources (13 minutes)
Building a social media presence takes the right tools and resources. The episode includes the latest recommendations—from official Ritter partners and third-party vendors to other resources.

Behind the Headlines With Sam Casey

July 18: Behind the Headlines: Aegis London's Alex Powell on underwriting through the cycle; and Japanese broking update (23 minutes)
Aegis London CEO Alex Powell discusses how to underwrite profitably through the cycle; the carrier's growth in the cyber market; and the company's future strategy. *Insurance Insider's* Rachel Dalton also discusses developments in the Japanese broking market.



Insurance Nerds

Aug. 4: Combating Nuclear Verdicts: Cayce Lynch of Tyson Mendes (51 minutes)
Nuclear verdicts, jury awards exceeding \$10 million, are increasingly impacting litigation. Driven by emotional factors and plaintiff attorney tactics, these verdicts pose significant challenges for defendants and the legal system. Experts suggest mitigation strategies including mediation, data-driven approaches, and defense attorney tactics. The issue underscores the need for collaborative efforts to address escalating legal costs and ensure fairness.

Insurtech Building Blocs

July 15: Trends and Complexity in the Group Benefits Market with Marcie Strouse (39 minutes)
This episode, which features Marcie Strouse, partner at Capitol Benefits Group, dives deep into the ever-changing group benefits market, offering valuable insights for businesses of all sizes.

The Insurance Guys Podcast

July 17: Axe Throwing Insurance (40 minutes)
In this episode, Scott Howell and Bradley Flowers sit down with Brett Pollak from AxeThrowingInsurance.com. They discuss Pollak's deep dive into weird niches like axe throwing, rage rooms, etc., and how he was able to build his agency in these difficult-to-insure verticals.

The Insurance Podcast

July 22: Accessible driving data? Rashid Galadanci, CEO and co-founder of Driver Technologies, shares his vision (1 hour, 6 minutes)
Telematics is no longer data for the insurer or provider as Rashid Galadanci and Driver Technologies change how data is used and shared to benefit everyone on the roads.

The Voice of Insurance

July 23: Ryan Mather Ariel Re: The 16-year-old start-up (27 minutes)
Ryan Mather is CEO of Ariel Re, a business that has positioned itself at the cutting edge of emerging classes such as green energy and cyber reinsurance, while at the same time maintaining an edge in more traditional lines such as property cat—all within the Lloyd's platform.



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Navigating captive regulations across US states
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Claims Journal

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Commercial Risk

P&I clubs seeking 4-5% general increase in 2025
Commercial Risk Europe

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Insurance Insider

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HHC Safety Engineering Services Inc. Recognizes Janine McCartney With Lifetime Achievement Award

The certified safety professional also was named “Safety Engineering Expert of the Year” by *Lawyer Monthly* for the eighth straight year.

HHC Safety Engineering Services Inc. presented Janine McCartney with a lifetime achievement award for her service, the company recently announced.

In addition, McCartney recently was named *Lawyer Monthly*’s “Safety Engineering Expert of the Year” for the eighth consecutive year, having captured the honor every year since 2017.

She also earned her Certified Safety and Health Officer-CSHO in General Industry from Texas A&M, as of October 2024, HHC said in a statement.

McCartney was recognized for her 31 years in safety, including 16 years as an OSHA Outreach



Janine McCartney

Trainer in Construction and General Industry. She spent 20 years as a reviewer for the journal *Science of the Total Environment*, as well as five years as an editor for scientific journals.

McCartney is a certified safety professional for the last 11 years, a construction safety and health technician for the last 15 years, a registered professional industrial hygienist, and a certified safety instructor to master’s level, according to HHC.

HHC Safety Engineering Services Inc. is a qualified member of Best’s Recommended Expert Service Providers – Safety Consultants.

Nine Life Insurance Trade Groups File Suit To Block Labor Department Fiduciary Rule, Claiming It Harms Consumers

The groups say the actions exceed the U.S. Department of Labor’s authority, while reducing consumers’ access to retirement investment advice.

Nine life insurance trade groups have recently filed a joint lawsuit against the U.S. Department of Labor to overturn its fiduciary rule, which they contend would reduce consumers’ access to retirement investment advice.

The suit was filed by the American Council of Life Insurers; the National Association of Insurance and Financial Advisors, as well as its Texas, Dallas, Fort Worth and Pineywoods of East Texas chapters; Finseca; Insured Retirement Institute; and the National Association for Fixed Annuities, according to a joint statement issued by the group.

An earlier 2016 attempt by the federal government sought to change how retirement investors conduct business, while ensuring transactions are in the client’s best interest. That effort was withdrawn amid legal and political opposition that included the ACLI.

“Our filing makes a convincing case that the DOL’s fiduciary-only regulation suffers from the same legal defects as the DOL’s failed 2016 rule,” the joint statement said. “It exceeds the DOL’s authority under federal law, is arbitrary and capricious, and is unconstitutional.

Moreover, it ignores recently enhanced federal and state standards for financial professionals who work with retirement savers.”

The U.S. Labor Department finalized a rule amending the definition of fiduciary that has been opposed by the annuities industry, and set Sept. 23 as the date for it to take effect.

The rule expands the prior standard to cover new types of non-securities such as fixed-indexed annuities sales under the Employee Retirement Income Security Act and Internal Revenue Service guidelines in a bid to end “junk fees” and advice deemed a conflict of interest.

Federal officials say the rule is designed to protect savers against advice providers who may put their own needs first.

BR

—Terrence Dopp



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Leading AI Platforms Highlight Mutuals' Responsiveness, Client Focus in Query

Best's Review asked leading artificial intelligence models about advantages and weaknesses of mutual insurers.



The Friendly Society, established in Charleston, South Carolina, in 1735, was the first insurance company in the United States, according to the Insurance Information Institute. It was a mutual insurer, but went out of business in 1740. Twelve years later, the Philadelphia Contributionship for Insurance of Houses From Loss by Fire, the oldest insurance carrier in continuous operation in the United States and also a mutual, was established by Benjamin Franklin.

September is Mutual Insurance Awareness Month and *Best's Review* asked three artificial intelligence large language model programs: What are the advantages and weaknesses of mutual insurers? Summarize the response in 150 words or less.

Following are edited versions of each response:

Anthropic's Claude 3.5 Sonnet ✨

Mutual insurers have several advantages and weaknesses:

Advantages:

- 1. Policyholder focus:** Owned by policyholders, prioritizing their interests.
- 2. Potential for lower premiums:** Profits can be reinvested or returned as dividends.
- 3. Long-term stability:** Less pressure for short-term profits.
- 4. Customer loyalty:** Members often feel more connected to the company.
- 5. Risk alignment:** Careful underwriting to protect mutual interests.

Weaknesses:

- 1. Limited access to capital:** Can't issue stocks, potentially constraining growth.
- 2. Slower decision-making:** Democratic processes may delay changes.
- 3. Limited product offerings:** May focus on specific insurance types.
- 4. Scale challenges:** Often smaller than stock companies, potentially affecting competitiveness.
- 5. Lack of market discipline:** No stock price

to gauge performance.

Overall, mutual insurers offer a customer-centric approach with potential cost benefits, but may face challenges in growth and competitiveness compared to stock insurance companies.

ChatGPT-4o 🌀

Mutual insurers are insurance companies owned by policyholders, which means profits are returned to members as dividends or premium reductions. Advantages include aligning interests between the company and policyholders, potentially leading to better service and lower costs. Additionally, mutual insurers often focus on long-term stability over short-term profits.

However, they have some weaknesses. Limited access to capital can restrict growth and investment opportunities compared to publicly traded insurers.

Perplexity 🌸

Mutual insurers offer several advantages over stock insurers:

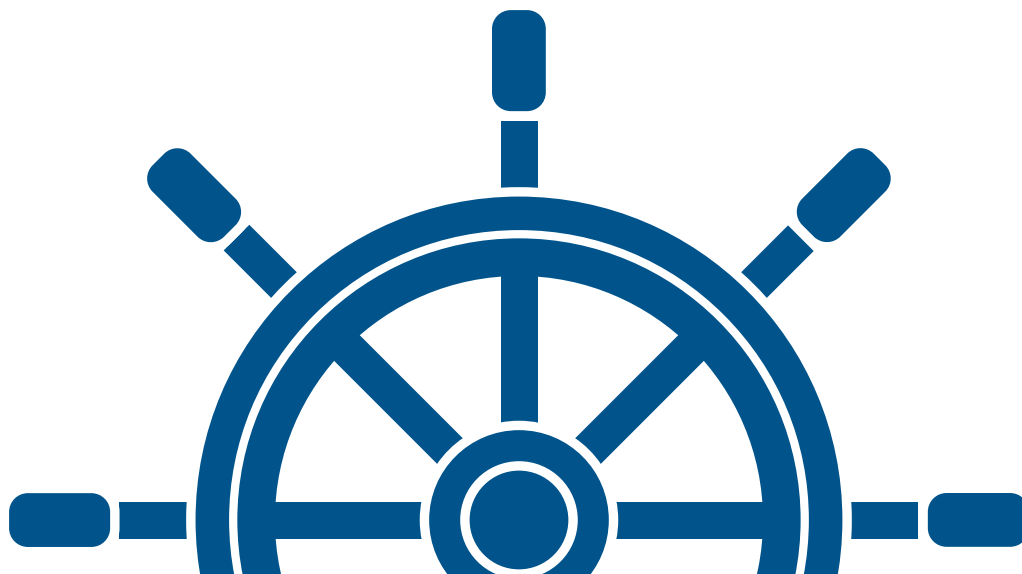
- 1. Customer focus:** They prioritize policyholders' long-term interests rather than shareholders' short-term demands.
- 2. Policyholder ownership:** Policyholders have voting rights on management decisions.
- 3. Potential for dividends:** Eligible policyholders may receive dividends based on the company's performance.

However, mutual insurers also have some weaknesses:

- 1. Limited access to capital:** They cannot raise funds through public markets, potentially hampering growth and large acquisitions.
- 2. Less financial flexibility:** This can affect their ability to pursue significant mergers or acquisitions.

BR

—Staff Reports



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