



# BEST'S COMPANY REPORT



## THE INDEPENDENT ORDER OF FORESTERS

**Domiciliary Address:** 789 Don Mills Road, Toronto, Ontario M3C 1T9 Canada

**AMB #:** 067409

**NAIC #:** N/A

**FEIN #:** N/A

**Phone:** 415-429-3000

**Fax:** 416-467-2526

**Website:** [www.foresters.com](http://www.foresters.com)

## THE INDEPENDENT ORDER OF FORESTERS

**A**

**Domiciliary Address:** 789 Don Mills Road, Toronto, Ontario M3C 1T9 Canada

**AMB #:** 060132

**NAIC #:** N/A

**AIIN#:** AA-1560109

**Phone:** 416-429-3000

**Fax:** 416-467-2526

**Website:** [www.foresters.com](http://www.foresters.com)



**Best's Credit Rating Effective Date**

September 06, 2024

**Analytical Contacts**

Tyler Samani  
Financial Analyst  
[Tyler.Samani@ambest.com](mailto:Tyler.Samani@ambest.com)  
+1(908) 439-2200 Ext. 5140

Edward Kohlberg  
Director  
[Edward.Kohlberg@ambest.com](mailto:Edward.Kohlberg@ambest.com)  
+1(908) 439-2200 Ext. 5664

**Information**

[Best's Credit Rating Methodology](#)

[Guide to Best's Credit Ratings](#)

[Market Segment Outlooks](#)

**Financial Data Presented**

Financial data in this report: (i) includes data of affiliated entities that are not rating unit members where analytics benefit from inclusion; and/or (ii) excludes data of rating unit member entities if they operate in different segments or geographic areas than the Rating Unit generally. See [list of companies](#) for details of rating unit members and any such included and/or excluded entities.

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: [Best's Financial Report](#).

**The Independent Order of Foresters**

**AMB #:** 067409

**Associated Ultimate Parent:** AMB # 060132 - The Independent Order of Foresters

**Best's Credit Ratings - for the Rating Unit Members**

**Financial Strength Rating (FSR)**

<b>A</b>
<b>Excellent</b>
Outlook: <b>Stable</b> Action: <b>Affirmed</b>

**Issuer Credit Rating (ICR)**

<b>a+</b>
<b>Excellent</b>
Outlook: <b>Stable</b> Action: <b>Affirmed</b>

**Assessment Descriptors**

Balance Sheet Strength	<b>Strongest</b>
Operating Performance	<b>Adequate</b>
Business Profile	<b>Neutral</b>
Enterprise Risk Management	<b>Appropriate</b>

**Rating Unit - Members**

**Rating Unit: Independent Order of Foresters | AMB #: 067409**

**AMB # Rating Unit Members**  
066847 Foresters Life Insurance Co

**AMB # Rating Unit Members**  
060132 Independent Order of Foresters

## Rating Rationale

### Balance Sheet Strength: **Strongest**

- Strongest level of risk-adjusted capitalization as measured by Best's Capital Adequacy Ratio (BCAR). Capital is also significantly higher than the minimum required capitalization standards across Canada, the United Kingdom and the United States.
- Good quality of capital, with manageable financial leverage and moderate use of reinsurance. Reinsurance profile was optimized through an internal reinsurance initiative.
- Overall good credit quality of invested assets, with investments 100% externally managed.
- Favorable liquidity profile supported by strong liquidity ratios.
- A portion of liabilities are dependent on interest rates. While the company's actuarial liabilities are not overly interest or equity market sensitive, they are supported by a relatively high risk adjustment for non-financial risk.

### Operating Performance: **Adequate**

- Independent Order of Foresters (Foresters Financial) has reported fluctuating earnings in recent years. The impact of markets on fair value accounting adds a measure of volatility to earnings.
- Diversified earnings profile by line of business and geographic regions.
- Since incurring losses in 2020 and 2021 attributable to the pandemic, Foresters Financial has been operating profitably. The improved operating results were driven by decreasing death benefits and reduced new business strain, partially offset by higher fraternal expenses and income taxes.
- Consolidated sales declined in 2023 due to macroeconomic headwinds and more stringent underwriting.

### Business Profile: **Neutral**

- Diversified business profile in terms of product offerings, distribution and geographic reach.
- Foresters Financial is engaged in various projects to enhance its systems, infrastructure, and data utilization.
- While Foresters Financial has prominent positions in its target markets, it is not among the market leaders.
- Sales by region show that most of the sales originate in the United States, with some premiums from Canada and a modest percentage from the United Kingdom.

### Enterprise Risk Management: **Appropriate**

- Foresters Financial has a well-developed risk management program, which includes an evaluation of proposed actions and their impact on risk-adjusted capitalization.
- Foresters Financial uses the Life Insurance Capital Adequacy Test (LICAT) as its main barometer of measuring enterprise risk, and it incorporates non-quantitative assessments such as strategic risk, pension plan risk and asset management risk.
- While Foresters Financial's risk management capabilities are appropriate for its risk profile, it faces inherent challenges of managing risk across three different countries, each of which has its own unique economic, financial, legislative and regulatory characteristics.

### Outlook

- The stable outlooks reflect the expectation that Foresters Financial will maintain its overall balance sheet strength assessment supported by risk-adjusted capitalization at the strongest level, as measured by BCAR.

### Rating Drivers

- Negative rating action may occur if the group's balance sheet strength metrics decline materially.
- While AM Best finds it unlikely, positive rating action may occur given a material improvement in operating performance.

**Key Financial Indicators**

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

<b>Confidence Level</b>	<b>95.0</b>	<b>99.0</b>	<b>99.5</b>	<b>99.6</b>
BCAR Score	67.7	52.5	46.5	45.4

Source: Best's Capital Adequacy Ratio Model - L/H, Canada

**Year End - December 31**

<b>Key Financial Indicators</b>	<b>2023 - IFRS 17 CAD (000)</b>	<b>2022 - IFRS 17 CAD (000)</b>	<b>2021 CAD (000)</b>	<b>2020 CAD (000)</b>	<b>2019 CAD (000)</b>
Total Insurance Services Revenue	902,970	883,129	...	...	...
Net Premiums Written	...	...	986,098	980,195	1,028,952
Net Income	191,373	74,406	-71,281	-1,231	92,749
Total Assets	16,885,516	15,868,013	18,724,012	18,086,014	18,520,419
Equity	2,042,828	1,888,690	1,973,086	2,051,433	2,086,035

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

**Year End - December 31**

<b>Key Financial Indicators &amp; Ratios</b>	<b>2023 - IFRS 17 CAD (000)</b>	<b>2022 - IFRS 17 CAD (000)</b>	<b>2021 CAD (000)</b>	<b>2020 CAD (000)</b>	<b>2019 CAD (000)</b>	<b>5-Year Average</b>
<b>Profitability:</b>						
(Re)insurance and Investment Result	124,572	18,049	...	...	...	...
Net Income Return on Revenue (%)	21.2	8.4	-6.1	-0.1	4.3	4.0
Net Income Return on Equity (%)	9.4	3.9	-3.6	-0.1	4.4	2.8
<b>Leverage:</b>						
General Account Liabilities to Equity (%)	3.2	3.0	4.0	3.9	5.1	3.9

Source: BestLink® - Best's Financial Suite

**Credit Analysis**

**Balance Sheet Strength**

**Capitalization**

The Independent Order of Foresters (Foresters Financial) risk-adjusted capitalization, as defined by the Best Capital Adequacy Ratio, is assessed as strongest and supportive of its insurance, business, and investment risks. Foresters Financial's risk-adjusted capitalization measures favorably across three countries with different measures: Life Insurance Capital Adequacy Test in Canada, Risk-Based Capital in the US, and Solvency II in the UK. While Foresters Financial has less financial flexibility relative to a stock company, the group showed they can access the capital markets via a debt issuance in October, 2020.

Absolute capitalization is strong, and good liquidity capability which is monitored closely. Quality of capital is good, with organic earnings growth, manageable financial leverage and prudent use of reinsurance. Capital is also impacted by the fair value accounting on assets and liabilities and exchange rate movements, which adds an element of volatility in capital. Capital increased approximately 8% to \$2.04 billion CAD at year-end 2023 due to strong new business flows, careful management of expenses, and unrealized gains. Capital has continued to increase in 2024, up approximately 7% through the second quarter.

The group has demonstrated its financial flexibility through the issuance of \$250 million CAD in subordinated debt in October, 2020. Financial leverage is manageable and within AM Best's guidelines for its ratings.

**Balance Sheet Strength (Continued...)**

	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 - IFRS 17 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
<b>Capital Generation Analysis</b>					
Beginning Equity	1,888,690	1,931,496	2,051,433	2,086,035	2,018,455
Net Income	191,373	74,406	-71,281	-1,231	92,749
Total Other Comprehensive Income (Loss)	-37,235	-117,212	...	...	...
Pre-Tax Operating Income	...	...	40,989	-633,777	-564,492
Net Realized Capital Gains (Losses)	...	...	131,258	238,700	99,037
Income Taxes	...	...	-28,957	-11,063	35,009
Net Unrealized Capital Gains (Losses)	...	...	-321,800	478,800	651,722
Other Changes in Equity	...	...	42,249	-129,388	-83,678
Net Change in Equity	154,138	-42,806	-78,347	-34,602	67,580
Ending Equity	2,042,828	1,888,690	1,973,086	2,051,433	2,086,035
Change in Equity (%)	8.2	-2.2	-3.8	-1.7	3.3
Change in Net CSM	-52,345	-199,752	...	...	...

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

Note: 2023 IFRS Other Changes in Equity includes transfers from and to retained earnings and Par account and other equity changes.

	Year End - December 31				
	2023 - IFRS 17	2022 - IFRS 17	2021	2020	2019
<b>Liquidity Analysis (%)</b>					
Liquid Assets to Total Liabilities	15.8	...	105.2	108.4	73.1
Total Investments to Total Liabilities	48.6	49.6	51.6	55.4	49.7

Source: BestLink® - Best's Financial Suite

**Asset Liability Management - Investments**

At year-end 2023, invested assets by segment are as follows: IOF US (60.8%); IOF Canada (15.5%); Foresters Life Insurance Company (10.9%) and United Kingdom (12.7%).

On a consolidated basis, approximately 78% of invested assets are in bonds. Below investment grade bond exposure is modest at less than 5% of bond holdings. Because its operations span three countries, Foresters Financial is exposed to some foreign exchange risk, as a majority of its business is conducted in the United States. In 2017, a foreign exchange rate hedge was executed with the purpose of insulating the LICAT ratio from currency exchange rate movements.

US Branch allocations in 2023 are comprised of about 89% in bonds, 5% in equities, with the balance in policy loans, real estate, cash & short-term and other invested assets. The bond portfolio is almost entirely composed of investment grade issues.

Foresters Life Insurance Company's invested assets have approximately 75% in fixed income, 8% in equities, 7% in other invested assets with the rest in cash & short-term, and policy loans. Bond holdings are 50% in corporates, with allocations in the Financial, Utilities and Industrial sectors. Federal government and other government bonds make up the remainder of the bond portfolio.

UK's allocations consist of 38% of bonds and 56% of equities, with the remainder in cash & short-term and policy loans. A majority of bond holdings are allocated to governments and corporates. The relatively high UK equity allocation reflects the UK product mix.

Liquidity capability is good and is monitored closely, and have strong liquidity metrics for immediate and ongoing scenarios. There is some mismatch in longer duration liabilities, where asset durations are generally shorter, and reflects the challenges of asset/liability management with long dated liabilities. The liquidity profile is supplemented by a \$100 million USD line of credit, with no amounts drawn as of YE23.

**Balance Sheet Strength (Continued...)**

Composition of Cash and Invested Assets	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
Total Cash and Invested Assets	7,370,278	7,419,798	8,772,518	8,943,517	11,900,667
Cash (%)	3.3	3.8	2.2	4.3	2.6
Bonds (%)	77.4	73.5	78.4	80.5	55.6
Stocks (%)	12.3	10.9	10.8	9.8	7.0
Real Estate, Mortgage and Loans (%)	2.5	...	...	...	...
Mortgage Loans (%)	...	2.3	1.3	0.3	...
Other Invested Assets (%)	4.5	9.6	7.3	5.1	34.8
Total Cash and Unaffiliated Invested Assets (%)	100.0	100.0	100.0	100.0	100.0
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

Note: Prior to 2023, Other Invested Assets (%) includes Real Estate

Bonds - Distribution by Issuer	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
Bonds	5,702,776	5,452,230	6,879,150	7,197,895	6,616,543
Federal Government (%)	25.4	23.7	25.8	26.5	31.4
Provincial and State (%)	5.1	...	...	...	...
Municipal, Public Authority (%)	6.4	7.1	8.6	8.3	6.7
Corporate:					
Investment Grade (%)	60.4	66.6	63.9	64.4	61.6
Below Investment Grade (%)	2.7	2.7	1.7	0.9	0.4
Total Bonds (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

**Reserve Adequacy**

Reserves for Foresters Financial are adequately set, as determined by cash flow testing in the US and LICAT and Financial Condition Testing (FCT) capital submissions for Canada. Reserves are also supported by risk adjustments for non-financial risk which are nearly 14% of total reserves.

Foresters Financial was able to release a significant amount of reserves in 2023 due to capital efficiency initiatives and reduced excess mortality attributed to COVID.

**Operating Performance**

Foresters Financial's earnings profile has evolved as the group continues to focus on its core ordinary life insurance and retirement business. The group's exposure to variable business, which is highly correlated to equity market movements, declined significantly as a result of the sale of Foresters Life Insurance and Annuity Company (FLIAC) in July, 2020.

Total Comprehensive Income/(Loss) (TCI) for 2023 was \$154 million, due to market-driven impacts including lower risk-free interest rates in Canada, narrowing spreads in Canada and the US and strong equity markets. These positive factors were partially offset by mortality strengthening and strengthening of the Canadian dollar against the US dollar. TCI for 2022 was \$116 million, driven by strong underwriting income and changes in insurance contract liabilities, partially offset by unrealized losses. 2022 earnings were adjusted and restated due to the transition to IFRS 17; adjusted 2022 TCI was approximately (\$43) million. Excess mortality declined significantly in 2022 and 2023, with the improved outlook resulting in a significant release of reserves from the COVID provision.

TCI for 2021 and 2020 was (\$78) million CAD and (\$35) million CAD, largely due to the market impacts on continuing operations due to a decline in interest rates in March, 2020, higher mortality due to the COVID-19 pandemic, a stronger Canadian dollar partially offset by strong equity markets. In addition, the organization recognized an impairment charge on goodwill and intangibles from its CPP acquisition of \$44.3 million CAD. Foresters Financial reported strong underlying earnings, driven by strong sales within its U.S. and U.K. entities.

**Operating Performance (Continued...)**

Foresters Financial's results are more volatile due to the market impacts of fair value accounting on assets and liabilities. Also, a significant percentage of business is conducted in U.S. dollars, which is subject to foreign currency fluctuations to the Canadian dollar. This is partially mitigated by the use of a foreign currency hedge.

Group investment return for 2023 and 2022 was approximately \$563 million and (\$1.24) billion. Due to Canadian IFRS accounting, unrealized gains/(losses) flow through investment income, which has experienced significant fluctuations over the past few years. Net change in unrealized gains/(losses) on FVTPL instruments was \$422 million in 2023 and (\$1.34) billion in 2022.

Premium growth has been relatively flat since 2016, fluctuating between \$1-1.3 billion CAD. Consolidated sales declined approximately 10% in 2023 due to macroeconomic headwinds and more stringent underwriting in the US and Canada. Sales in the UK were favorable due to reinvestment of maturing Child Trust Fund policies into Adult Unit Linked Savings plans.

	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 - IFRS 17 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
<b>Financial Performance Summary</b>					
Pre-Tax Income	177,831	45,225	-103,047	-9,718	124,778
Net Income excl Non-Controlling Interests	191,373	74,406	-71,281	-1,231	92,749

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

	Year End - December 31				
	2023 - IFRS 17	2022 - IFRS 17	2021	2020	2019
<b>Operating and Performance Ratios (%)</b>					
Return on Assets	2.3	0.6	-1.0	-0.1	1.0
Return on Equity	9.4	3.9	-3.6	-0.1	4.4
Return on Equity (Life CSM as Equity)	7.7	2.1	...	...	...
Pre-Tax to Net Insurance Services Revenue	19.7	5.1	...	...	...
Pre-Tax to Net Premiums Written	...	...	-10.4	-1.0	12.1
Change in CSM	-16.6	-38.7	...	...	...

Source: BestLink® - Best's Financial Suite

	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
<b>Total Insurance Services Revenue by Line of Business</b>					
Non-Participating Life US & CAD:					
Individual	761,418	51,032	200,628	184,965	173,050
Group	1,134	2,187	2,528	3,000	3,683
Non-Participating Annuity US & CAD:					
Individual	6,141	3	...	3,281	71,104
Group	19,647	953	1,083	1,307	1,835
Participating	94,250	964,138	750,840	749,898	738,133
Other	-5	18,109	31,019	37,744	41,147
Europe, Asia and Other Countries	20,385	...	...	...	...
<b>Total</b>	902,970	1,036,422	986,098	980,195	1,028,952

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

Note: 2022 and prior represents premiums

Note: 2022 and prior Europe, Asia and Other Countries is included in Other

**Operating Performance (Continued...)**

Net Income by Line of Business	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
Non-Participating Life US & CAD:					
Individual	110,338	62,229	276,899	12,082	-4,536
Group	-489	503	-370	1,056	3,061
Non-Participating Annuity US & CAD:					
Individual	2,271	-41	49	26,094	41,443
Group	3,347	-6,103	3,765	14,771	6,469
Participating	53,042	171,726	-257,390	-106,805	-6,684
Other	10,003	-31,009	-122,057	12,912	18,890
Europe, Asia and Other Countries	12,861	25,051	25,014	41,235	31,126
<b>Total</b>	<b>191,373</b>	<b>222,356</b>	<b>-74,090</b>	<b>1,345</b>	<b>89,769</b>

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

**Business Profile**

Independent Order of Foresters (Foresters Financial) is a fraternal organization which markets life, annuity and savings products in Canada, United States and United Kingdom. IOF is comprised of the North American Insurance and United Kingdom Segments. At year-end, 2023, 57% of insurance risk (net of reinsurance) was concentrated in the United States, 32% from Canada and 11% from the UK.

The North American Insurance segment is comprised of Foresters Life Insurance Company (FLIC), the Independent Order of Foresters Canada branch and the Independent Order of Foresters US Branch (US Branch). The U.S. Branch markets mainly term insurance and final expense, but also sells whole life and universal life. Distribution is comprised of multi-level marketers and independent agents. In 2024, Foresters was selected to be the fourth exclusive life insurance partner with Allstate, creating a new distribution channel. FLIC markets life and group savings products in the Canadian market, with most of the distribution through the Canada Protection Plan Program.

The UK segment markets unit-linked savings products as well as pensions, protection products and annuities. The savings oriented products are sold through either direct marketing, customer initiation or career agents. Management believes they have a great opportunity to service children who hold accounts in the Children's Trust Fund. In 2020, Foresters acquired the Halifax Child Trust block of business, with the transfer of plans in April 2020. Children who have these accounts are beginning to reach 18 years of age, and Foresters believes they can establish long-term relationships with them. At year-end 2023, assets under management increased to about \$5.4 billion GBP, driven by stronger global financial markets, particularly in the fourth quarter.

While Foresters Financial does hold national rankings in ordinary life insurance sales in the U.S. and Canada, they are not among the market leaders.

As a result of Foresters Financial's geographic spread, it is challenged to manage its business in three different economic, political, legal and regulatory environments. Management is active in various industry groups to stay informed of trends and developments related to Foresters' operating environments. The fraternal also faces the same challenges that other fraternal face, including membership growth and potential regulation changes.

Over the past few years, Foresters Financial has refocused its strategy to emphasize life insurance sales, and no longer considered its asset management as core to their business. In August 2019, the group sold its Canadian asset management operation to Fiera Capital, and sold its U.S. asset management operations to Macquarie Investments. Its broker dealer and advisor business was sold to Cetera Group in June 2019. On July 1, 2020, Foresters Financial closed the sale of FLIAC to the Nassau Group, which will reduce its exposure to interest-sensitive and variable products. On October 1, 2020, Foresters Financial acquired Canada Protection Plan Inc., which will allow the fraternal to leverage the name recognition and distribution to drive sales in Canada.

**Enterprise Risk Management**

The risk management framework works to identify risk areas and establish clear accountability for risk management. Primary risk categories include Strategic, Financial, Operational, and Compliance Risk. Individual risks are identified, measured, mitigated, and monitored at the divisional or operational level. The risk management function, as the next level of defense, oversees risk management and reports to the ERMC monthly and RIC quarterly on the organization's overall risk profile, including any areas of concern for management to monitor.



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

Risk-adjusted capitalization is monitored by Corporate Capital Management on a quarterly basis, using Risk Based Capital Ratio, Life Insurance Capital Adequacy Test and the U.K. Solvency II requirements. Actual results are compared to prior year and plan, and variances are researched and addressed as they arise. Currency hedges are also used to manage the impact of exchange rates relative to the Canadian dollar. Foresters Financial continually seeks ways to diversify its organization by product, geography and distribution. Spreads and asset/liability management are performed monthly. Scenario and stress testing is performed at least annually and per regulations.

The primary means for evaluating the impact risk on capital and surplus is the LICAT, which is also adjusted for other factors such as strategic risk, pension risk, concentration risk and reinsurance. Sensitivity analysis is also performed in the group's financial condition testing (FCT) submission.

Foresters Financial has been able to foster good diversification in its business model, which included products, geography, distribution, sales and investments.

Foresters Financial has developed their enterprise risk management program as their organization structure has grown. They face challenges in making their ERM program consistent across three different countries, given the different product mix and with each jurisdiction having their own economic, legal, regulatory and judicial environments.

Each of the Chief Risk's Officers of each segment reports to the Global Chief Risk Officer. The Enterprise Risk Management Committee (ERMC) and CRO are overseen by the Board's Risk and Investment Committee (RIC). The Board approves the Risk Management Policy annually which outlines Foresters Financial Risk Appetite and Tolerances, as well as the risk management governance structure, including the Board's and Management's responsibilities in managing risks and the ERMC mandate.

In recent years, Foresters Financial has taken measures to de-risk its overall risk exposure. Its asset management businesses were no longer considered core to the group's strategy and were sold. FLIAC, which had significant variable business, was also sold in 2020 as the group focused on its core life businesses. Another measure taken to minimize risk is the group froze its defined benefit pension plan liabilities effective December 31, 2021, and replaced it with a defined contribution plan.

The COVID-19 pandemic impacted the group's operations and business over the past few years, and the group has responded positively to the crisis. Two teams were created early in the crisis to monitor internal and external events. Capital ratios were stressed to determine the impact of more extreme events, and liquidity was reviewed for adequacy. For new business, the group worked with reinsurers, added COVID questions to the applications, and reviewed its permanent life products.

Recently, Foresters Financial's management team experienced some prepared changes through succession planning. Foresters Financial has been executing its five-year plan which emphasizes its core life business and promotes earnings growth to coincide with its 150 years of existence in 2024.

**Reinsurance Summary**

Foresters Financial does not extensively use reinsurance. Retention is \$2 million or lower depending on age and ratings. Inforce reinsurance is mostly yearly renewable term designed not to exceed retention. Most prominent reinsurers include Swiss Re, RGA and Munich Re. In 2016, Foresters Financial completed a modified coinsurance transaction on certain U.S. Branch inforce universal life and term life policies. Foresters Financial reviews its reinsurance needs and reinsurers on a regular basis and addresses any issues as they arise.

**Environmental, Social & Governance**

AM Best considers Foresters Financial's exposure to material environmental, social, and governance (ESG) risks to be low. The organization operates in an environment where its underwriting and operating activities have minimal exposure to climate risk. On the investment side, current allocation contains no large concentration in securities that are backed by assets that could have ESG risk potential, and Foresters Financial's investment managers review ESG risks as part of the due diligence framework. On a forward looking basis, ESG factors are unlikely to impact the credit quality of the organization over the short-term.

**Financial Statements**

Year End - December 31

<b>Balance Sheet</b>	<b>2023 - IFRS 17 CAD (000)</b>	<b>%</b>	<b>2022 - IFRS 17 CAD (000)</b>	<b>%</b>
Cash and Cash Equivalents	163,708	1.0	118,836	0.7
Investments	7,206,570	42.7	6,929,773	43.7
Financial Instrument Derivative Assets	6,193	...	1,738	...
Insurance Contract Assets	8,013	...	8,155	0.1
Reinsurance Contract Held Assets	816,406	4.8	653,140	4.1
Goodwill and Intangible Assets	78,949	0.5	86,831	0.5
Other Assets	252,388	1.5	261,633	1.6
Total General Account Assets	8,532,227	50.5	8,060,106	50.8
Segregated Funds Assets	8,353,289	49.5	7,807,907	49.2
<b>Total Assets</b>	<b>16,885,516</b>	<b>100.0</b>	<b>15,868,013</b>	<b>100.0</b>
Insurance, Reinsurance, Investment Contract excl Seg Funds Net Liabilities	5,936,422	35.2	5,608,063	35.3
Subordinated Debt and Preferred Shares	248,326	1.5	248,104	1.6
Other Liabilities	304,651	1.8	315,249	2.0
Total General Account Liabilities	6,489,399	38.4	6,171,416	38.9
Segregated Funds Liabilities	8,353,289	49.5	7,807,907	49.2
<b>Total Liabilities</b>	<b>14,842,688</b>	<b>87.9</b>	<b>13,979,323</b>	<b>88.1</b>
Policyholders' Equity	2,042,828	12.1	1,888,690	11.9
<b>Total Equity</b>	<b>2,042,828</b>	<b>12.1</b>	<b>1,888,690</b>	<b>11.9</b>
<b>Total Liabilities and Equity</b>	<b>16,885,516</b>	<b>100.0</b>	<b>15,868,013</b>	<b>100.0</b>

Source: BestLink® - Best's Financial Suite  
Local Currency: Canadian Dollar

Year End - December 31

<b>Income Statement</b>	<b>2023 - IFRS 17 CAD (000)</b>	<b>2022 - IFRS 17 CAD (000)</b>
Total Insurance Services Revenue	902,970	883,129
Insurance and Reinsurance Expenses	908,507	882,192
<b>Insurance Services Result</b>	<b>74,789</b>	<b>93,341</b>
Investment Return	1,209,980	-1,847,889
Net Finance Income (Expense)	-1,044,348	1,912,695
Movement in Investment Contract Liabilities	-897	-555
<b>Net Investment Result</b>	<b>164,735</b>	<b>64,251</b>
Other Income and Expense	-61,693	-112,367
Profit (Loss) Before Taxes	177,831	45,225
Total Income Taxes	-12,057	-32,865
Profit (Loss) After Taxes	189,888	78,090
Discontinued Operations	1,485	-3,684
<b>Net Income</b>	<b>191,373</b>	<b>74,406</b>

Source: BestLink® - Best's Financial Suite  
Local Currency: Canadian Dollar

## The Independent Order of Foresters

### Operations

**Domiciled:** Ontario, Canada

**Licensed:** (Current since 10/07/2014). The company is licensed in all provinces and territories.

**Business Type:** Life, Annuity, and Accident

**Organization Type:** Fraternal

**Marketing Type:** Other

**Last Update**

October 25, 2024

**Identifiers**

**AMB #:** 067409

**Contact Information**

Domiciliary Address:  
789 Don Mills Road, Toronto,  
Ontario M3C 1T9  
Canada

**Web:** [www.foresters.com](http://www.foresters.com)

**Phone:** 415-429-3000

**Fax:** 416-467-2526

**Financial Data Presented**

The financial data in this report reflects the most current data available at the time the report was printed.

### Best's Credit Ratings

**Rating Relationship**

**AM Best Rating Unit:** [067409 - Independent Order of Foresters](#)

**Best's Credit Rating Effective Date:** September 06, 2024

Refer to the [Best's Credit Report for AMB# 067409 - The Independent Order of Foresters](#) for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

AMB#	Rating Unit Members	Best's Credit Ratings	
		Financial Strength Rating	Long-Term Issuer Credit Rating
066847	Foresters Life Insurance Co	A	a+
060132	Independent Order of Foresters	A	a+

### Corporate Structure

**Associated Ultimate Parent:** AMB # 060132 - The Independent Order of Foresters

Based on AM Best's analysis, AMB# 060132 The Independent Order of Foresters is the AMB Associated Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current [Data Structure](#).

### Management

**Officers**

**CEO, President:** Matt M. Berman (Global)

**President:** Nici Audhlam-Gardiner (UK)

**Chief Information Officer, Chief Operations Officer:** Mehul Kapadia (Global)

**CFO:** Alvin Sharma (Global)

**Chief Investment Officer, Vice President:** Clark D. Wagner (Investments)

**Chief Risk Officer:** Caroline Rendall (Risk)

**Chief Compliance Officer, General Counsel, Vice President:** Ian Collins (Legal and Compliance)

**Chief Administrative Officer, Chief Legal Officer, Corporate Secretary:** Rene Zanin (Global)

## Officers (Continued...)

**SVP:** Pat Colavita (Global Internal Audit)  
**Vice President:** Terence Chan (Finance)

## Directors

Daniel J. Fortin (Chair)  
 Katherine A. Bardswick  
 Sonia A. Baxendale  
 Linda A. Davis Watters  
 Michael C. Edge  
 Shelly A. Herman  
 Richard P. Hennick  
 Michael Lombardi  
 Janice M. Madon  
 Gino A. Scapillati  
 Michael P. Stramaglia  
 Wendy A. Watson  
 Robert W. Wight  
 Cynthia L. Worley

## Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent consolidated financial statements available in BestLink - Best's Statement File – L/H, Canada.

**Currency:** CAD

**Company's local Currency:** Canadian Dollar

## Balance Sheet Highlights

	Year End - December 31				
	2023 - IFRS 17	2022 - IFRS 17	2021	2020	2019
<b>Liquidity Analysis (%)</b>					
Liquid Assets to Total Liabilities	15.8	...	105.2	108.4	73.1
Total Investments to Total Liabilities	48.6	49.6	51.6	55.4	49.7

Source: BestLink® - Best's Financial Suite

## Operating Performance Highlights

	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 - IFRS 17 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)

### Financial Performance Summary

Pre-Tax Income	177,831	45,225	-103,047	-9,718	124,778
Net Income excl Non-Controlling Interests	191,373	74,406	-71,281	-1,231	92,749

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

	Year End - December 31				
	2023 - IFRS 17	2022 - IFRS 17	2021	2020	2019

### Operating and Performance Ratios (%)

Return on Assets	2.3	0.6	-1.0	-0.1	1.0
Return on Equity	9.4	3.9	-3.6	-0.1	4.4
Return on Equity (Life CSM as Equity)	7.7	2.1	...	...	...
Pre-Tax to Net Insurance Services Revenue	19.7	5.1	...	...	...
Pre-Tax to Net Premiums Written	...	...	-10.4	-1.0	12.1
Change in CSM	-16.6	-38.7	...	...	...

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

## The Independent Order of Foresters

### Operations

**Date Incorporated:** July 23, 1881 | **Date Commenced:** July 23, 1881

**Domiciled:** Ontario, Canada

**Licensed:** (Current since 01/29/2014). The company is licensed in all provinces and territories. It is also licensed in the United States in the District of Columbia and all states. The company has licensed subsidiaries in Great Britain.

**Business Type:** Life, Annuity, and Accident  
**Organization Type:** Fraternal  
**Marketing Type:** Other  
**Best's Financial Size Category:** XIV (USD 1.50 Billion to Less than 2.00 Billion)

**Last Update**

October 25, 2024

**Identifiers**

**AMB #:** 060132  
**AIIN #:** AA-1560109  
**LEI #:** 54930076M746H2DBTP84

**Contact Information**

**Domiciliary Address:**  
 789 Don Mills Road, Toronto,  
 Ontario M3C 1T9  
 Canada

**Web:** [www.foresters.com](http://www.foresters.com)  
**Phone:** 416-429-3000  
**Fax:** 416-467-2526

**Financial Data Presented**

The financial data in this report reflects the most current data available at the time the report was printed.

## Best's Credit Ratings

**Rating Relationship**

**AM Best Rating Unit:** [067409 - Independent Order of Foresters](#)

**Best's Credit Rating Effective Date:** September 06, 2024

Refer to the [Best's Credit Report for AMB# 067409 - The Independent Order of Foresters](#) for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

**Best's Credit Rating History**

AM Best has assigned ratings on this company since 1988. In our opinion, the company has an Excellent ability to meet their ongoing insurance obligations and an Excellent ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to [Rating History](#) in BestLink:

Effective Date	Best's Financial Strength Ratings			Best's Long-Term Issuer Credit Ratings		
	Rating	Outlook	Action	Rating	Outlook	Action
<b>Current -</b>						
<b>Sep 6, 2024</b>	<b>A</b>	<b>Stable</b>	<b>Affirmed</b>	<b>a+</b>	<b>Stable</b>	<b>Affirmed</b>
Aug 17, 2023	A	Stable	Affirmed	a+	Stable	Affirmed
Aug 4, 2022	A	Stable	Affirmed	a+	Stable	Affirmed
Jul 29, 2021	A	Stable	Affirmed	a+	Stable	Affirmed
Aug 5, 2020	A	Stable	Affirmed	a+	Stable	Affirmed

## Corporate Structure

**Ultimate Parent:** AMB # 060132 - The Independent Order of Foresters

Based on AM Best's analysis, AMB# 060132 The Independent Order of Foresters is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current [Corporate Structure](#).

## Overview

Foresters Financial is an international financial services provider, marketing to its members and the target middle market a diverse portfolio of life insurance, annuities, mutual funds and other financial and asset management services in Canada, the United States and the United Kingdom. While still retaining its legal name of The Independent Order of Foresters, the group rebranded in 2015 to 'Foresters Financial' to better reflect its mission to its members and the middle market.

Foresters Financial was originally founded in 1874 and organized and registered under the Insurance Companies Act of Canada. To be eligible for membership, an individual can purchase a life insurance or annuity product from Foresters Financial. Non-voting membership is available for junior certificate holders and certain non-proprietary product holders. Membership in 2022 is about 2.4 million individuals.

Foresters Financial measures its success not only through financial strength, but also by the positive impact it has in the community, and strives to enrich the lives of its members as well as their communities. To help achieve this purpose, Foresters Financial partners with other organizations who share the same vision and works closely with Community Partners to provide members with opportunities to improve their communities. These national community partners include: KaBOOM!, the American Red Cross, and Cash4Kids.

As a fraternal organization, Foresters Financial offers various benefits, such as tuition scholarships, community grants, emergency assistance programs, and volunteer and family events. Another feature available to members is Legal Link, which members can consult with local legal professionals regarding a variety of issues, such as home ownership, family law and wills, and estates.

While Foresters Financial has significant operations internationally and domiciled in Canada, a significant portion of its business is in the United States. The wholly owned subsidiaries that comprise Foresters Financial main insurance operations include Forester Holdings (Europe) Ltd., which is the immediate parent company of Forester Life Limited, where all UKSIP life insurance business is written.

In recent years, Foresters Financial has sold off holdings that it no longer considers core to its business. In 2019, Foresters announced the sale of its Canadian asset management operations to Fiera capital, and the sale of its U.S. asset management operations (including First Investors Mutual Funds), to Maquarie Investment Management. Foresters also sold its U.S. broker/dealer and advisor business to Cetera Financial Group. On July 1, 2020, the group sold Foresters Life Insurance and Annuity Company to Nassau Financial Group, LLP.

Foresters Life Insurance Company, formerly Unity Life of Canada, acquired in 2008 to enhance Foresters presence in the Canadian life insurance market.

## Management

### Officers

**CEO, President:** Matt M. Berman (Global)

**President:** Nici Audhlam-Gardiner (UK)

**Chief Information Officer, Chief Operations Officer:** Mehul Kapadia (Global)

**CFO:** Alvin Sharma (Global)

**Chief Investment Officer, Vice President:** Clark D. Wagner (Investments)

**Chief Risk Officer:** Caroline Rendall (Risk)

**Chief Compliance Officer, General Counsel, Vice President:** Ian Collins (Legal and Compliance)

**Chief Administrative Officer, Chief Legal Officer, Corporate Secretary:** Rene Zanin (Global)

**SVP:** Pat Colavita (Global Internal Audit)

**Vice President:** Terence Chan (Finance)

### Directors

Daniel J. Fortin (Chair)

Katherine A. Bardswick

Sonia A. Baxendale

Linda A. Davis Watters

Michael C. Edge

Shelly A. Herman

Richard P. Hennick

Michael Lombardi

Janice M. Madon

Gino A. Scapillati

**Directors (Continued...)**

Michael P. Stramaglia  
 Wendy A. Watson  
 Robert W. Wight  
 Cynthia L. Worley

**History**

**Recent M&A Transactions**

Announced on	Closed on	Transaction Type	Status	Target	Acquirer	Seller
10/17/2019	07/01/2020	Acquisition	Closed	Foresters Finl Hldg	Nassau Life Ins Co	Independent Ord For

Search for this company in [Mergers & Acquisitions](#) in BestLink for additional details and previous transactions.

**Mergers**

Ancient Order of United Workmen of Ontario, 1926; Order of Canadian Home Circles, 1926; Royal Templars of Temperance, 1931; Modern Brotherhood of America, 1931; Catholic Mutual Benefit Association, 1952; Royal Clan, Order of Scottish Clans, 1971; Canadian Foresters Life Insurance Society, 1992; London Area Mobile Physiotherapy Service Limited. (United Kingdom subsidiary), 1996, Unity Life of Canada, 2008. First Investors Life Insurance Company, 2011.

**Financial Statements**

Financial Statements reflected were compiled from the most recent company-filed statement available in BestLink - Best's Statement File – L/H, Canada. Access [Statement Pages in Excel](#) available in BestLink.

**Currency:** CAD

**Company's local Currency:** Canadian Dollar

Year End - December 31

Balance Sheet	2023 - IFRS 17		2022 - IFRS 17	
	CAD (000)	%	CAD (000)	%
Cash and Cash Equivalents	48,911	0.7	47,940	0.8
Investments	5,740,564	84.0	5,452,360	85.4
Financial Instrument Derivative Assets	6,193	0.1	1,738	...
Insurance Contract Assets	8,013	0.1	8,155	0.1
Reinsurance Contract Held Assets	401,680	5.9	288,974	4.5
Goodwill and Intangible Assets	34,054	0.5	34,740	0.5
Other Assets	536,134	7.8	487,836	7.6
Total General Account Assets	6,775,549	99.1	6,321,743	99.1
Segregated Funds Assets	60,421	0.9	60,099	0.9
<b>Total Assets</b>	<b>6,835,970</b>	<b>100.0</b>	<b>6,381,842</b>	<b>100.0</b>
Insurance, Reinsurance, Investment Contract excl Seg Funds Net Liabilities	4,358,269	63.8	4,037,460	63.3
Subordinated Debt and Preferred Shares	248,326	3.6	248,104	3.9
Other Liabilities	131,955	1.9	153,478	2.4
Total General Account Liabilities	4,738,550	69.3	4,439,042	69.6
Segregated Funds Liabilities	60,421	0.9	60,099	0.9
<b>Total Liabilities</b>	<b>4,798,971</b>	<b>70.2</b>	<b>4,499,141</b>	<b>70.5</b>
Policyholders' Equity	2,036,999	29.8	1,882,701	29.5
<b>Total Equity</b>	<b>2,036,999</b>	<b>29.8</b>	<b>1,882,701</b>	<b>29.5</b>
<b>Total Liabilities and Equity</b>	<b>6,835,970</b>	<b>100.0</b>	<b>6,381,842</b>	<b>100.0</b>

Source: BestLink® - Best's Financial Suite  
 Local Currency: Canadian Dollar

Year End - December 31

<b>Income Statement</b>	<b>2023 - IFRS 17 CAD (000)</b>	<b>2022 - IFRS 17 CAD (000)</b>
Total Insurance Services Revenue	738,057	750,321
Insurance and Reinsurance Expenses	718,046	723,713
<b>Insurance Services Result</b>	<b>71,919</b>	<b>102,692</b>
Investment Return	494,118	-1,118,188
Net Finance Income (Expense)	-316,609	1,156,357
Movement in Investment Contract Liabilities	-828	-484
<b>Net Investment Result</b>	<b>176,681</b>	<b>37,685</b>
Other Income and Expense	-76,659	-70,558
Profit (Loss) Before Taxes	171,941	69,819
Total Income Taxes	-19,592	-921
Profit (Loss) After Taxes	191,533	70,740
<b>Net Income</b>	<b>191,533</b>	<b>70,740</b>

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

## Financial Results

Financial exhibits presented in this report provide calculated ratios using the most recent company-filed statements available in BestLink - Best's Statement File – L/H, Canada.

Currency: CAD

Company's local Currency: Canadian Dollar

## Key Financial Indicators

<b>Key Financial Indicators</b>	Year End - December 31				
	<b>2023 - IFRS 17 CAD (000)</b>	<b>2022 - IFRS 17 CAD (000)</b>	<b>2021 CAD (000)</b>	<b>2020 CAD (000)</b>	<b>2019 CAD (000)</b>
<b>Assets:</b>					
General Account	6,775,549	6,321,743	7,747,472	7,634,193	6,724,442
Segregated Funds	60,421	60,099	69,337	66,253	67,516
Total Assets	6,835,970	6,381,842	7,816,809	7,700,446	6,791,958
<b>Liabilities:</b>					
Liabilities from Insurance Contracts & Reinsurance - In Canada:					
Individual Insurance	508,743	390,464	...	...	...
Individual Annuity	95,861	96,999	...	...	...
Participating & Property/Casualty	417,735	395,567	...	...	...
Total Canada	1,022,339	883,030	1,080,453	815,449	704,670
Other Contract Liabilities	3,335,930	3,154,430	199,768	171,489	154,851
Other Liabilities, including Segregated Funds	1,463,041	1,344,711	458,928	490,229	239,084
Total Liabilities	4,798,971	4,499,141	5,774,881	5,558,111	4,705,923
Equity	2,036,999	1,882,701	2,041,928	2,142,335	2,086,035
Net Income	191,533	70,740	-93,058	89,671	92,749
Total Insurance Services Revenue	71,919	102,692	...	...	...
Net Premiums Written	957,804	...	1,032,757	747,300	734,095
Net Investment Income	176,681	37,685	61,903	674,999	627,093

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar



**Key Financial Indicators**

Key Financial Indicators & Ratios	Year End - December 31					5-Year Average
	2023 - IFRS 17 CAD (000)	2022 - IFRS 17 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)	
Net Income Return on Revenue (%)	26.0	9.4	-8.9	12.0	33.4	9.8
Net Income Return on Equity (%)	9.4	3.8	-4.4	4.2	4.5	5.0
<b>Leverage:</b>						
General Account Liabilities to Equity (%)	2.4	2.4	2.8	2.6	2.2	3.0
<b>Liquidity Analysis:</b>						
Cash and Cash Equivalents	48,911	47,940	49,579	30,973	72,319	...

Source: BestLink® - Best's Financial Suite

**Operating Performance Highlights**

Operating and Performance Ratios (%)	Year End - December 31				
	2023 - IFRS 17	2022 - IFRS 17	2021	2020	2019
Return on Assets	2.7	1.2	-1.2	1.2	3.6
Return on Equity	9.4	3.8	-4.4	4.2	4.5
Return on Equity (Life CSM as Equity)	7.6	3.2	...	...	...
Pre-Tax to Net Insurance Services Revenue	23.3	9.3	...	...	...
Pre-Tax to Net Premiums Written	18.0	...	-8.9	12.0	33.4
Change in CSM	-16.9	-39.5	...	...	...

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

Net Premiums by Line of Business	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 - IFRS 17 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
<b>Individual:</b>					
Life	947,584	954,091	1,025,653	740,492	726,662
Annuity	282	344	642	579	661
Accident and Sickness	9,938	8,314	6,462	6,229	6,772
<b>Total</b>	<b>957,804</b>	<b>962,749</b>	<b>1,032,757</b>	<b>747,300</b>	<b>734,095</b>

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

**Business Profile Highlights**

2023 IFRS 17 By-Line Business	Direct Premiums Written		Reinsurance Premiums Assumed		Reinsurance Premiums Ceded		Net Premiums Written		Business Retention
	CAD (000)	%	CAD (000)	%	CAD (000)	%	CAD (000)	%	%
<b>Individual:</b>									
Life	980,609	98.9	168,855	100.0	201,880	99.7	947,584	98.9	82.4
Annuity	282	...	...	...	...	...	282	...	100.0
Accident and Sickness	10,536	1.1	...	...	598	0.3	9,938	1.0	5.7
<b>Total</b>	<b>991,427</b>	<b>100.0</b>	<b>168,855</b>	<b>100.0</b>	<b>202,478</b>	<b>100.0</b>	<b>957,804</b>	<b>100.0</b>	<b>82.5</b>

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

**Business Profile Highlights**

**Historical Market Presence**

Geographic Breakdown of DPW	Year End - December 31				
	2023 - IFRS 17 CAD (000)	2022 CAD (000)	2021 CAD (000)	2020 CAD (000)	2019 CAD (000)
Out of Canada	922,963	893,913	805,980	785,639	746,174
Ontario	39,082	37,812	36,465	32,742	30,313
Quebec	15,574	15,357	13,372	10,331	8,373
British Columbia	6,080	6,056	5,670	5,427	5,328
Alberta	5,272	5,112	4,920	4,812	4,619
Manitoba	1,316	1,271	1,190	1,001	935
Saskatchewan	436	479	489	532	551
Nova Scotia	414	420	389	426	457
New Brunswick	161	172	178	176	178
Newfoundland and Labrador	115	78	76	74	67
All Other	14	14	13	13	13
<b>Total</b>	<b>991,427</b>	<b>960,684</b>	<b>868,742</b>	<b>841,173</b>	<b>797,008</b>

Source: BestLink® - Best's Financial Suite

Local Currency: Canadian Dollar

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

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

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

In arriving at a rating decision, AM Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, AM Best does not independently verify the accuracy or reliability of the information. Any and all ratings, opinions and information contained herein are provided "as is," without any express or implied warranty.

Visit <https://www.ambest.com/ratings/index.html> for additional information or <https://www.ambest.com/terms.html> for details on the Terms of Use. For current ratings visit [www.ambest.com/ratings](http://www.ambest.com/ratings)

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

