

Best's Credit Rating Meeting – Sample Agenda

1. Organizational Overview

Review of Corporate Structure

- Organization chart

Executive Overview

- Group strategic objectives & expectations

2. Rating Discussion

Balance Sheet Strength

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| <ul style="list-style-type: none">• Key areas for review<ul style="list-style-type: none">– BCAR discussion– Stress tests– Liquidity– Quality of capital– Reinsurance program review– Investments/ALM– Internal capital models– Reserve discussion | <ul style="list-style-type: none">• Country risk impact• Holding company discussion<ul style="list-style-type: none">– Appetite for leverage/coverage (financial flexibility)– Liquidity plan– Operating leverage– Consolidated BCAR– Intangibles/quality of consolidated capital– Non-insurance operations |
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Operating Performance

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| <ul style="list-style-type: none">• Underwriting performance• Investment performance• Total operating earnings | <ul style="list-style-type: none">• Financial forecasts• Country risk impact |
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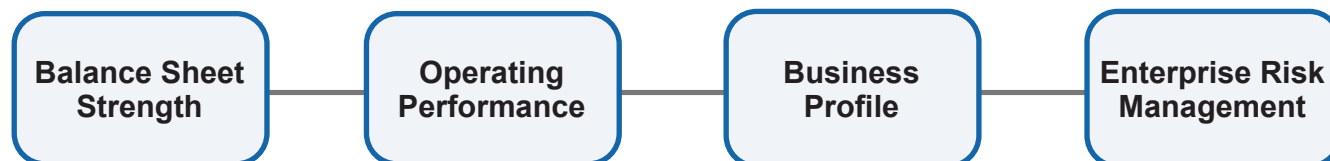
Business Profile

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| <ul style="list-style-type: none">• Key areas for review<ul style="list-style-type: none">– Market position opportunities– Degree of competition– Distribution strategy– Management of product/geographic concentration | <ul style="list-style-type: none">– Management of product risk– Regulatory, event and market risks evident– Pricing sophistication & data quality• Market conditions• Innovation initiatives• Country risk impact |
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Enterprise Risk Management

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| <ul style="list-style-type: none">• Risk framework<ul style="list-style-type: none">– Risk identification & reporting– Risk appetite & tolerance– Risk management & controls– Governance & risk culture | <ul style="list-style-type: none">– Stress testing and non-modeled risks (discussion of BCAR VaR 99.8)• Discussion of risk management capabilities relative to risk profile |
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View on Major Rating Drivers



3. Meeting Wrap Up

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| <ul style="list-style-type: none">• Potential rating outcomes | <ul style="list-style-type: none">• Timing of rating committee |
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