

AM Best Affirms Frankenmuth Insurance “A” Rating While Upgrading Outlook

I am pleased to share that AM Best has affirmed our Financial Strength Rating* of “A” (Excellent) and our Issuer Credit Rating of “a+”.

In addition, AM Best upgraded the outlook for both ratings from stable to positive, reflecting the ongoing improvement in our underwriting and operating results over the past several years. This upgrade was a very welcome but unexpected action, reinforcing the many strategic initiatives we have put in place to improve our underwriting profitability.

AM Best cited several other productive factors – our strong capitalization, positive after-tax income, solid regional market presence, strong agency relationships and efforts to reduce risk through geographic diversification.

The continuous improvement of our underwriting expense ratio was also mentioned — in fact, this ratio over the past five years has outpaced our commercial casualty peers — and was achieved despite investments in technologies and processes, as well as costs associated with expansion in the Southeast and Northeast regions.

The ratings for Patriot Life Insurance Company, our life insurance subsidiary, were also affirmed. Its Financial Strength Rating is “A” (Excellent) and its Issuer Credit Rating is “a”, both with stable outlooks.

Thank you for your role in helping us earn these “A” ratings and upgraded outlooks. Your support and partnership have been vital in contributing to our success. We pledge to continue working to earn your trust each day.