

# INSURANCE COMPANY FINANCIAL STRENGTH RATINGS - Q4 2017

ALL CLIENT POLICIES ARE UNDERWRITTEN  
BY TOP-TIER LIFE INSURANCE PROVIDERS



## WESTWARD'S VIEW

The financial strength of insurance companies is regularly assessed by trusted statistical rating organizations. Westward monitors these assessments to ensure that our clients' policies are underwritten by top-tier providers.

Worth noting, **A.M. Best** is widely considered to provide the most comprehensive assessment because it focuses exclusively on the insurance marketplace. It measures a company's **ability to pay claims** and also rates the financial instruments issued by the insurance company.

**Moody's** and **S&P** do not rate all Canadian insurers, which is why no rating is given for some insurers.

Westward works with all six insurers shown. All have top financial strength ratings that equal or exceed the ratings of the top five banks in Canada.

The opinions expressed in this memorandum are strictly those of Westward Advisors Ltd. This memorandum is for information purposes only and is not legal or tax advice.

## Q4 2017 RATINGS

Quoted as at October 10, 2017



No Change

A.M. Best

A+  
Superior

Moody's

Not  
Rated

Standard & Poor's

A+  
Strong



No Change

A+  
Superior

A1  
Upper Medium  
Low Risk

AA-  
Very Strong



No Change

A+  
Superior

Aa3  
High Quality  
Very Low Risk

AA-  
Very Strong



No Change

A+  
Superior

Aa3  
High Quality  
Very Low Risk

AA  
Very Strong



No Change

A  
Excellent

Not  
Rated

Not  
Rated



No Change

A  
Excellent

Not  
Rated

Not  
Rated

The above financial strength ratings assess an insurer's ability to meet its obligations to policyholders by three well-known rating agencies. The ratings of all the insurers remained the same over Q3 2017. The rating process involves quantitative and qualitative reviews of a company's balance sheet, operating performance and business profile, including comparisons to peers and several other factors.

### A.M. Best:

Companies rated from B+ (good) through A++ (superior) are considered to be "secure."

Rating definitions: <http://www.ambest.com/ratings/guide.pdf>

### Moody's:

Companies rated from A (upper medium grade) through Aaa (highest quality) are considered "low credit risk." A modifier of 1 indicates the higher end of a category, and a 3 indicates the lower end of a category.

Rating definitions: <https://www.moodys.com/Pages/amr002002.aspx>

### Standard & Poor's:

Companies rated A, AA or AAA have respectively "strong," "very strong" or "extremely strong" capacity to meet financial commitments.

Rating definitions: [https://www.standardandpoors.com/en\\_US/web/guest/article/-/view/sourcelid/504352](https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourcelid/504352)

