

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



No Change



No Change



No Change



No Change



No Change

	A.M. Best	Moody's	Standard & Poor's
Industrial Alliance	A+ Superior	Not Rated	A+ Strong
Manulife	A+ Superior	A1 Upper Medium Low Risk	AA- Very Strong
Sun Life Financial	A+ Superior	Aa3 High Quality Very Low Risk	AA- Very Strong
Canada Life	A+ Superior	Aa3 High Quality Very Low Risk	AA Very Strong
RBC Insurance	A Excellent	Not Rated	Not Rated
BMO Insurance	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.moody's.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

