

AM Best

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AM Best Affirms Credit Ratings of Sagicor Financial Co, Ltd. and Certain Subs; Downgrades Credit Ratings of ivari

CONTACTS:

Stephen Vincent
Senior Financial Analyst
+1 908 882 1705
stephen.vincent@ambest.com

Anthony McSwieney
Senior Financial Analyst
+1 908 882 2113
anthony.mcswiene@ambest.com

Christopher Sharkey
Associate Director, Public Relations
+1 908 882 2310
christopher.sharkey@ambest.com

Al Slavin
Senior Public Relations Specialist
+1 908 882 2318
al.slavin@ambest.com

FOR IMMEDIATE RELEASE

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AM Best has removed from under review with developing implications and affirmed the Financial Strength Rating (FSR) of A- (Excellent) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of "a-" (Excellent) of Sagicor Life Inc. and Sagicor General Insurance Inc. (both domiciled in St. Michael, Barbados), Sagicor Life Insurance Company (Austin, TX) and Sagicor Reinsurance Bermuda Ltd. (Bermuda). Concurrently, AM Best has removed from under review with developing implications and affirmed the FSR of B++ (Good) and the Long-Term ICR of "bbb+" (Good) of Sagicor Life Jamaica Limited (Kingston, Jamaica). The outlook assigned to these Credit Ratings (ratings) is stable.

In addition, AM Best has removed from under review with developing implications and affirmed the Long-Term ICR of "bbb-" (Good) and the Long-Term Issue Credit Rating of "bbb" (Good) on the \$400 million, 5.3% senior unsecured notes, due 2028, of the ultimate parent, Sagicor Financial Company Ltd. (Bermuda). The outlook assigned to these ratings is stable.

AM Best also has downgraded the FSR to A- (Excellent) from A (Excellent) and the Long-Term ICR to "a-" (Excellent) from "a+" (Excellent) of ivari (Toronto, Ontario, Canada). Concurrently, AM Best has maintained the under-review status for these ratings and revised the implications status to developing from negative. These rating actions follow an announcement from Sagicor Financial Company Ltd. that it has completed the acquisition of ivari from Wilton Re Ltd.

The ratings of Sagicor Life Inc. reflect its balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management (ERM). Sagicor Life Inc. has a long record of consistent profitability and benefits from strong brand recognition in its operating countries. Offsetting rating factors include an elevated country risk level in Barbados and Trinidad and Tobago.

The ratings of Sagicor Life Insurance Company reflect its balance sheet strength, which AM Best assesses as adequate, as well as its marginal operating performance, neutral business profile and appropriate ERM. The company continues to benefit from parental support in the form of a capital maintenance agreement to maintain an adequate level of risk-adjusted capital that covers expansion expenses. However, historical support was mainly in the form of internal surplus notes.

The ratings of Sagicor Reinsurance Bermuda Ltd. reflect its balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate ERM. The ratings benefit from a capital maintenance agreement with Sagicor Financial Company, Ltd.

The ratings of Sagicor Life Jamaica Limited reflect its balance sheet strength, which AM Best assesses as strong, as well as its strong operating performance, neutral business profile and appropriate ERM. Sagicor Life Jamaica Limited has a consistent history of increasingly high earnings and revenue, in addition to growth, and a very strong market position in the Jamaica market. Offsetting rating factors include an elevated country risk level in Jamaica.

The ratings of ivari reflect its balance sheet strength, which AM Best assesses as strong, as well as its adequate operating performance, neutral business profile and appropriate ERM. AM Best notes that ivari's ratings are impacted adversely with the sale to Sagicor, as the company no longer receives the benefit of a group rating from being a member of the Wilton Re Group, which is ultimately owned by the Canada Pension Plan Investment Board.

AM Best notes that the transaction will be accretive to Sagicor Financial Company Ltd.'s operating earnings and increase its geographic diversification while lowering its overall investment risk. However, there is some uncertainty concerning the integration risk from the acquired block of business. AM Best will continue to monitor this integration of ivari and provide updates as conditions warrant.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

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Related Companies

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AMB#	Company Name
088130	Sagicor Financial Company Ltd.
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086569	Sagicor Life Inc.
006057	Sagicor Life Insurance Company
086086	Sagicor Life Jamaica Limited