

LIFE INSURANCE COMPANIES FINANCIAL STRENGTH RATINGS: Q2 2024

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

WESTWARD'S VIEW

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

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

Moody's and **Standard & Poor's** also rate some of the Canadian insurers and we monitor their ratings for changes too.



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.

Q2 2024 RATINGS

As at April 9, 2024

| | A.M. Best | Moody's | Standard & Poor's |
|--|-----------|-----------|-------------------|
|  INDUSTRIAL ALLIANCE | A+ | Not Rated | AA- |
|  Manulife | A+ | A1 | AA- |
|  Sun Life Financial | A+ | Aa3 | AA |
|  Canada Life™ | A+ | Aa3 | AA |
|  RBC Insurance | A | Not Rated | Not Rated |
|  BMO Insurance | A | Not Rated | Not Rated |
|  ivari* | A- | Not Rated | Not Rated |

The above financial strength ratings assess an insurer's ability to meet its obligations to policyholders. Westward sources the ratings from the most current information published on each insurer's website. **There was one rating change from last quarter. A.M. Best's ivari rating changed from A to A-. *ivari recently joined Sagicor resulting in S&P no longer providing a rating for ivari.**

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 AAA, AA, A, or BBB have respectively "extremely strong," "very strong," "strong" or "adequate" capacity to meet financial commitments. A modifier of plus (+) or minus (-) shows the relative standing within the rating category.
Rating definitions: https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352

