

Standing the Test of Time

Fifty-seven property/casualty insurers and 11 life/health insurers have maintained a Best's Financial Strength Rating of A or higher for at least 75 years.

Despite the worst economy in two generations, 68 insurance companies—57 property/casualty insurers, including three newcomers, and 11 life insurers—distinguished themselves in 2009 by retaining an A.M. Best credit rating of A or higher for at least 75 years. And another group of 82 companies—59 property/casualty writers, and 23 life insurers—kept their A or higher rating intact for at least 50 consecutive years.

This edition of *Best's Review* takes a closer look at the three property/casualty companies that are new to the list of 75 years or more: Western Surety Co., Cambridge Mutual Fire Insurance Co. and Ohio Farmers Insurance Co. These insurers got their first A's from A.M. Best in 1935 and have grown to become part of significant insurance operations.

The three life insurers featured are nearing the 75-year mark. They are the largest life insurers in Canada: Sun Life Assurance Co. of Canada (rated A or higher for 64 years); Manufacturers Life Insurance Co. (A or higher for 71 years) and Great-West Life Assurance Co. (65 years).

104-Year Tradition

Since 1906, A.M. Best Co. has been issuing financial strength ratings—opinions on the ability of individual insurance companies to pay claims on the coverage they have underwritten. These financial strength ratings evolved over the decades as the insurance industry grew more complex.

To identify the companies with the longest record of consistent financial strength, Best's analysts pored over the rating agency's proprietary data—primarily *Best's Key Rating Guides* and *Best's Insurance Reports*—to accumulate and verify ratings and other pertinent data dating back to 1905.

A.M. Best's Rating Scale has changed over time in an ongoing effort to increasingly distinguish the relative financial strength of insurers and adapt to changes in the insurance industry. Therefore, in certain circumstances it was necessary to translate or convert various older ratings to conform to the present rating scale. (Note

Property/Casualty Insurers Rated A or Higher for 75 Years

Company Name	AMB#	A or Higher Since	Current Rating
American Automobile Ins Co	02176	1933	A
American Insurance Company	02177	1934	A
American States Insurance Co	02287	1930	A
Amica Mutual Insurance Co	02162	1922	A++
Baltimore Equitable Society	03225	1933	A+
California State Auto Assn IIB	00228	1927	A+
Cambridge Mutual Fire Ins Co	02054	1935	A+
Camden Fire Insurance Assoc	02193	1934	A
Chartis Property Casualty Co	02349	1928	A
Continental Casualty Company	02128	1922	A
COUNTRY Mutual Insurance Co	02249	1931	A+
Euler Hermes Amer Credit Ind	02097	1922	A+
Farmers Mutual Ins Co of NE	00371	1922	A
Federal Insurance Company	02084	1907	A++
Federated Mutual Ins Co	00384	1934	A+
Fidelity and Deposit Co of MD	00387	1922	A
Fireman's Fund Insurance Co	02179	1924	A
General Ins Co of America	02447	1926	A
General Reinsurance Corp	02198	1928	A++
Germantown Mutual Ins Co	00414	1923	A
Granite State Insurance Co	02360	1925	A
Great American Insurance Co	02213	1908	A
Great Northern Insurance Co	02085	1923	A++
Hartford Accident & Indem Co	02230	1922	A
Hartford Casualty Ins Co	02229	1930	A
Hartford Fire Insurance Co	02231	1907	A
Hartford Steam Boiler I & I	00465	1922	A+
Hartford Underwriters Ins Co	02232	1926	A
Insurance Co of the State PA	02035	1934	A
Lititz Mutual Insurance Co	00558	1932	A+
Merrimack Mutual Fire Ins Co	02055	1920	A+
Montgomery Mutual Ins Co	00662	1925	A
Munich Reinsurance America Inc	00149	1923	A+
Mutual Assurance Society of VA	03260	1933	A+
National Fire Ins Hartford	02129	1914	A
National Union Fire Ins Co PA	02351	1934	A
Nationwide Mutual Ins Co	02358	1929	A+
New Hampshire Insurance Co	02363	1907	A
New Jersey Manufacturers Ins	00694	1934	A++
Ohio Farmers Insurance Co	02381	1935	A
OneBeacon Insurance Company	02196	1934	A
Pacific Indemnity Company	02385	1928	A++
Peerless Insurance Company	02394	1922	A
Pharmacists Mutual Ins Co	00320	1922	A

Property/Casualty Insurers Rated A or Higher for 75 Years

Continued from page 21

Company Name	AMB#	A or Higher Since	Current Rating
Philadelphia Contrib for Ins	03112	1922	A+
Providence Mutual Fire Ins	00787	1918	A
Quincy Mutual Fire Ins Co	00796	1922	A+
Selective Ins Co of America	00826	1930	A+
St. Paul Fire & Marine Ins Co	02452	1926	A+
State Automobile Mutual Ins Co	00855	1925	A+
State Farm Mutual Auto Ins Co	02479	1929	A++
Tri-State Insurance Co of MN	00918	1927	A+
Twin City Fire Insurance Co	02235	1921	A
United Services Auto Assn	00934	1927	A++
Western Surety Company	00974	1935	A
Westfield Insurance	02382	1934	A
Westport Insurance Corp	00347	1922	A

Source: A.M. Best Data. Ratings as of May 14, 2010

Best's Ratings

This Rating History Project is based on Best's Financial Strength Ratings. A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.

A.M. Best Company was founded in 1899 with the purpose of performing a constructive and objective role in the insurance industry toward the prevention and detection of insurer insolvency. This mission led to the development of Best's Ratings, which are now recognized worldwide as the benchmark

for assessing insurers' financial strength. Best's rating opinions reflect an in-depth understanding of business fundamentals garnered from more than 100 years of focusing solely on the insurance industry. This is one reason why insurance industry professionals have consistently ranked Best's Ratings No. 1 in confidence, usefulness and understanding.

A Best's Rating is an independent third-party evaluation that subjects all insurers to the same rigorous criteria, providing a valuable benchmark for comparing insurers, regardless of their country of domicile. Such a benchmark is increasingly important to an international market that looks for a strong indication of stability in the face of widespread deregulation, mergers, acquisitions and other dynamic factors.

that these translations do not represent any material change or re-evaluation of a company's rating; they are merely a conversion from one scale to another.)

The original rating system, implemented in 1906, was devised by the company's founder, Alfred M. Best. In 1932, a new rating scale, General Policyholders Ratings, replaced the previously used Desirability Ratings, which applied only to property/casualty insurers.

Desirability Ratings consisted of two components: a loss-paying record, ranked on an alpha scale with "A" being the best; and a rating of management quality, ranked on a numeric scale with "1" being the best.

An Evolving Process

The rating scale adopted in 1932 had two components: the Net Resources Rating, the forerunner of today's Financial Size Category; and the General Policyholders Rating, which evolved into today's Financial Strength Ratings.

From 1935 through 1975, A.M. Best did not assign letter ratings to life/health companies. Instead they had "comments." In order to complete this rating history project, a translation was devised to convert those "comments" to equivalent letter ratings. For example, from 1935 to 1952, "More than Ample" was found to be equivalent to today's "A" rating.

The insurers profiled in the following pages offer, in microcosm, a close look into how outstanding insurance companies stand the test of time.

A Plentiful Harvest

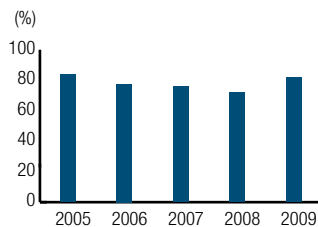
Ohio Farmers Insurance Co., parent company of Westfield Insurance, has been rated A or higher by A.M. Best since 1935.

A group of Ohio farmers banded together in 1848 to protect their property from natural disasters. The first order of business for the new insurer was protecting houses and other buildings, furniture, hay, grain and other farmers' property against loss or damage by fire. Their company, The Farmers Mutual Fire Insurance Company of Medina County, lives on as Ohio Farmers Insurance Co.

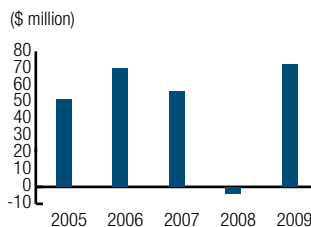
Ohio Farmers is one of a five-member intercompany pool collectively known as Westfield Insurance.

Group Results

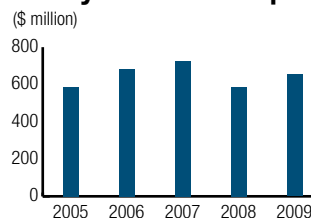
Business Retention



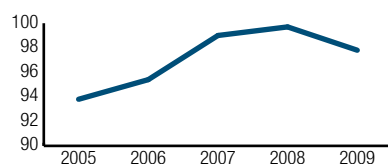
Net Income



Policyholders' Surplus



Combined Ratio



Ohio Farmers is one of a five-member intercompany pool collectively known as the Westfield Insurance, one of the 50 largest property/casualty companies in the United States. It provides commercial and personal insurance in 19 states and surety services to customers in 28 states, through a network of more than 1,200 leading independent insurance agencies.

Long-standing business relationships are valued by Westfield. Twenty-seven of those agencies have repre-

sented the group for more than 100 years.



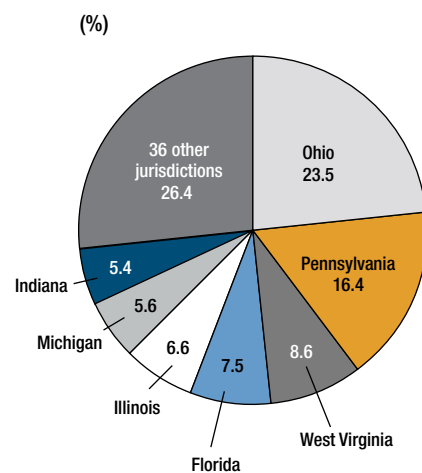
WESTFIELD
INSURANCE
Sharing Knowledge. Building Trust.®

In addition to Ohio Farmers, the pool is comprised of Westfield Insurance Co., Westfield National Insurance Co., American Select Insurance Co. and Old Guard

Insurance Co.

The business book is about 35% personal lines and 65% commercial. Among Westfield's coverages are workers' compensation, fire and allied lines, automobile, inland marine, homeowners, farm, agri-business and fidelity and surety.

Top Markets, 2009



Source: BestLink data

The Basics

Ohio Farmers Insurance Co.

A.M. Best Company # 2381

Chairman and CEO:

Robert J. Joyce

Headquarters:

Westfield Center, Ohio

Pool: Westfield Insurance

Assets:

1935: \$4.2 million

2009: \$1.5 billion



Robert J. Joyce