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A.M. Best Affirms Ratings of AmerInst Insurance Group, Ltd

OLDWICK, N.J.--([BUSINESS WIRE](#))--A.M. Best Co. has affirmed the financial strength rating of A- (Excellent) and issuer credit rating of "a-" of **AmerInst Insurance Group, Ltd**(AmerInst) (Hamilton, Bermuda). The outlook for both ratings is stable.

The ratings reflect AmerInst's strong capitalization and its experienced management team as well as the company's niche expertise as a reinsurer of professional liability policies.

"Risk Management and the Rating Process for Insurance Companies"

Partially offsetting these positive rating factors is AmerInst's narrow spread of underwriting risk, in addition to the execution risk associated with the implementation of the new business plan.

AmerInst intends to continue under its new business plan to employ a conservative reserving methodology under which it had historically booked to a higher loss ratio than that of its primary carrier. AmerInst has met A.M. Best's higher capitalization requirements, which mandate a more conservative level of risk-based capital for a new business plan. A.M. Best will continue to monitor AmerInst as it implements this business plan. Any material negative deviation from the business plan in terms of management, earnings, capitalization or risk profile could result in negative rating pressure.

The principal methodology used in determining these ratings is [Best's Credit Rating Methodology -- Global Life and Non-Life Insurance Edition](#), which provides a comprehensive explanation of A.M. Best's rating process and highlights the different rating criteria employed. Additional key criteria utilized include: "Risk Management and the Rating Process for Insurance Companies" and "Understanding Universal BCAR." Methodologies can be found at www.ambest.com/ratings/methodology.

Founded in 1899, A.M. Best Company is the world's oldest and most authoritative insurance rating and information source. For more information, visit www.ambest.com.

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