

Comments Requested On Proposed Criteria For Rating Insurers

Analytical Contacts:

Simon Ashworth, London (44) 20-7176-7243; simon.ashworth@spglobal.com

Taos D Fudji, Milan (39) 02-72111-276; taos.fudji@spglobal.com

Ali Karakuyu, London (44) 20-7176-7301; ali.karakuyu@spglobal.com

Hardeep S Manku, Toronto (1) 416-507-2547; hardeep.manku@spglobal.com

Peggy H Poon, CFA, New York (1) 212-438-8617; peggy.poon@spglobal.com

Eunice Tan, Hong Kong (852) 2533-3553; eunice.tan@spglobal.com

Criteria Contacts:

Steven Ader, New York (1) 212-438-1447; steven.ader@spglobal.com

Michelle M Brennan, London (44) 20-7176-7205; michelle.brennan@spglobal.com

Mark Button, London (44) 20-7176-7045; mark.button@spglobal.com

Ron A Joas, CPA, New York (1) 212-438-3131; ron.joas@spglobal.com

Media Contact:

Jeff Sexton, New York (1) 212-438-3448; jeff.sexton@spglobal.com

LONDON (S&P Global Ratings) Dec. 3, 2018--S&P Global Ratings is requesting comments on its proposed global framework for rating insurance companies (see "Request For Comment: Insurers Rating Methodology," published today).

The proposed criteria, if adopted, would apply to all global-scale foreign and local currency, long-term issuer credit, financial strength, and financial enhancement ratings on insurers in the life, health, property/casualty, mortgage, title, and bond insurance and reinsurance sectors (including start-up and run-off entities). The criteria would also apply to ratings on obligations other than hybrid instruments. The criteria would not apply to ratings on insurance brokers, nor would the criteria apply to any company with unsustainable financial commitments or that has obligations vulnerable to nonpayment; instead we would use our 'CCC' rating criteria.

The proposed criteria are largely focused on simplifying and consolidating

currently outstanding criteria pertaining to rated insurance entities. Accordingly, we believe there will be only a modest impact on ratings within the scope of these criteria. Based on our testing and assuming that these entities maintain their current credit characteristics, less than 5% of ratings will be impacted. We estimate that the majority of these rating changes would be within one notch.

We encourage interested market participants to submit their written comments on the proposed criteria by Feb. 1, 2019, to

http://www.standardandpoors.com/en_US/web/guest/ratings/rfc

where participants

must choose from the list of available Requests for Comment links to launch the upload process (you may need to log in or register first). We will review and take such comments into consideration before publishing our definitive criteria once the comment period is over. S&P Global Ratings, in concurrence with regulatory standards, will receive and post comments made during the comment period to

www.standardandpoors.com/en_US/web/guest/ratings/ratings-criteria/-/articles/criteria/requests-for-comment/filter/all#rfc

. Comments may also be sent to

CriteriaComments@spglobal.com should participants encounter technical difficulties. All comments must be published, but those providing comments may choose to have their remarks published anonymously or they may identify themselves. Generally, we publish comments in their entirety, except when the full text, in our view, would be unsuitable for reasons of tone or substance.

Along with this request for comments, we have also published today a related FAQ, titled "Understanding S&P Global Ratings' Request For Comment For Rating Insurance Companies," and "Request For Comment: Methodology And Assumptions For Analyzing Bond Insurance Capital Adequacy."

This report does not constitute a rating action.

The report is available to subscribers of RatingsDirect at www.capitaliq.com. If you are not a RatingsDirect subscriber, you may purchase a copy of the report by calling (1) 212-438-7280 or sending an e-mail to research_request@spglobal.com. Ratings information can also be found on S&P Global Ratings' public website by using the Ratings search box located in the left column at www.standardandpoors.com. Members of the media may request a copy of this report by contacting the media representative provided.

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