

## A.M. Best Affirms Ratings of Aurigen Reinsurance Company and Aurigen Reinsurance Limited

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A.M. Best Co. has assigned a financial strength rating (FSR) of A- (Excellent) and issuer credit ratings (ICR) of “a-“ of Aurigen Reinsurance Company (Toronto, ON) and Aurigen Reinsurance Limited (Hamilton, Bermuda) (collectively known as Aurigen). The outlook for all ratings is stable.

The ratings of Aurigen are based upon the start-up nature of the operation, which is focused on the Canadian life reinsurance marketplace and adequate capitalization, offset by a first-year operating loss.

Over the past year, the Canadian life reinsurance market has experienced some volatility in conjunction with the economic environment. Despite the global economic challenges, Aurigen successfully completed its first significant reinsurance transaction and has indicated that it is gaining traction in concluding additional transactions. In recent years, the Canadian reinsurance market has become increasingly concentrated. While A.M. Best continues to view Aurigen’s business plan as favourable, it may be difficult for Aurigen to foster new relationships in an established market.

A.M. Best remains concerned with the uncertainties surrounding the successful execution of Aurigen’s business plan, as well as its lack of operating history. In addition, A.M. Best believes Aurigen may potentially need to reach out to the capital markets or have an initial public offering to raise capital if growth outpaces projected levels.

For Best’s Ratings, an overview of the rating process and rating methodologies, please visit [www.ambest.com/ratings](http://www.ambest.com/ratings).

The principal methodologies used in determining these ratings, including any additional methodologies and factors that may have been considered, can be found at [www.ambest.com/ratings/methodology](http://www.ambest.com/ratings/methodology).

Founded in 1899, A.M. Best Company is a global full-service credit rating organization dedicated to serving the financial and health care service industries, including insurance companies, banks, hospitals and health care system providers. For more information, visit [www.ambest.com](http://www.ambest.com).



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