



September 4, 2018

Subject: AM Best Rating – MA ME NH VT

Dear Agency Partner:

We are pleased to announce that A.M. Best has affirmed the Financial Strength Rating (FSR) of **A (Excellent)** and upgraded the Long-Term Issuer Credit Ratings (Long-Term ICR) to “a+” from “a”, of the members of Concord Group Insurance Pool (the Group), which is led by Concord General Mutual Insurance Company (Concord, NH). The outlook assigned to the FSR is stable, and the outlook assigned to the Long-Term ICRs is stable.

The ratings reflect Concord Group’s balance sheet strength, which A.M. Best categorizes as very strong, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management (ERM). The rating actions reflect significant operating and financial benefits that the Group has realized as a result of its April 2017 affiliation with Auto-Owners Insurance Company, which is a highly rated (A++ Superior), super-regional insurer with more than \$10 billion in policyholders’ surplus. In addition to achieving efficiencies and savings from scale, Concord Group is benefiting from Auto-Owners’ expertise and support in a number of areas, including actuarial, product development, information technology and risk management. Furthermore, Auto-Owners provides the Group with a comprehensive excess of loss reinsurance program.

Positive rating movement could happen if benefits of the affiliation with Auto-Owners continue to be realized over the near term and the Group exhibits significant improvement in operating performance measures that can be sustained over a period of time.

Many thanks to our Directors, Employees, and Agents for their support and dedication to our Company.

Linda J. Day
President & CEO

Warren C. McLean, Jr.
Senior Vice President & COO