



Financial Strength Benchmarking of Disability Income Competitors

Ameritas Mutual Holding Company (Ameritas) draws its financial strength and stability from many sources, but its foundation is our insurance companies. These include Ameritas Life Insurance Corp. and Ameritas Life Insurance Corp. of New York.

Delivering on our promises

Our business structure as a mutual-based organization helps us make long-term decisions in our customers’ best interest. We have the skills, perspective and flexibility to make smart, well-timed decisions designed to benefit our members and customers for generations to come. Though we’re proud of our ratings¹ from Standard & Poor’s and AM Best, we measure our success by how many people we’ve helped and how many promises we’ve kept.

Competitor benchmarking

The following financial strength benchmarking of disability income insurance competitors is based on a comprehensive statutory basis of accounting as of Dec. 31, 2023. The source for the following information is S&P Global Market Intelligence. Ameritas Life Insurance Corp. and Ameritas Life Insurance Corp. of New York insurance company financials are available on request by calling toll-free 800-745-1112. Ameritas Life Insurance Corp. is not licensed in New York. The information for Ameritas is for its life insurance companies on a combined or group basis.

The Best’s Rating Report and Standard & Poor’s Full Analysis Report are available in the Financial Strength section of Ameritas.com.

A+

Standard & Poor’s

A+ (Strong) for insurer financial strength.
This is the fifth highest of Standard & Poor’s 21 ratings assigned.

A

AM Best

A (Excellent) for insurer financial strength.
This is the third highest of AM Best’s 13 ratings assigned.

Disability income competitors

- Berkshire** – Berkshire Life Insurance Company of America
- Guardian** – Guardian (SNL Life Group)
- Massachusetts Mutual** – Massachusetts Mutual (SNL Life Group)
- Metropolitan** – Metropolitan Life Insurance Co.
- Northwestern Mutual** – Northwestern Mutual (SNL Life Group)
- Principal Financial** – Principal Financial Group Inc. (SNL Life Group)
- Standard** – Standard Insurance Company

Capital and surplus/assets ratio

The capital and surplus/assets ratio measures a company’s cushion protecting it from a decline in the value of its assets before surplus is depleted. Higher levels of capital and surplus relative to assets help support operations and growth. The statutory surplus levels of Ameritas Life Insurance Corp. and Ameritas Life Insurance Corp. of New York exceed Standard & Poor’s capital requirements at the AAA rating level.²

Ameritas had \$2.3 billion of statutory basis total adjusted capital as of Dec. 31, 2023,³ ending the period with a capital and surplus/assets ratio of 10.5% – well above the industry average of 9.0%⁴ and comparing favorably to our peers. This represents extremely strong capital which, along with low levels of financial leverage, demonstrates financial flexibility capable of addressing unforeseen market conditions.

Mutual companies generally hold more capital, as they do not have the access to just-in-time capital that stock companies do. For every \$1.00 of capital held, Ameritas holds \$9.40 in general account assets.

Disability Income Competitors	Capital & Surplus/Assets (%)
Ameritas	10.6%
Guardian	10.1%
Northwestern Mutual	9.5%
Industry	9.0%
Mass Mutual	9.0%
Standard	6.5%
Principal	5.4%
Metropolitan	4.8%
Berkshire	3.8%

Surplus notes/capital and surplus

Surplus notes are a form of debt for mutual insurance organizations. However, on statutory financial statements, this debt is included in the capital structure. The Ameritas insurance companies' surplus notes to capital and surplus ratio is considered conservative compared to several peer companies. Ameritas has one \$50 million long-term debt issue outstanding that matures in 2026, which represented 2.6% of total capital and surplus as of Dec. 31, 2023, while the industry average for surplus notes as a percent of total capital and surplus was 10.0%.⁴

The Ameritas insurance companies' overall debt-to-capital ratio⁵ was 3.1% compared to an insurance industry average of 12.8% as of Dec. 31, 2023.⁴

Disability Income Competitors	Surplus Notes/ Capital & Surplus (%)
Berkshire	0%
Principal	0%
Ameritas	2.6%
Metropolitan	9.5%
Industry	10.0%
Northwestern Mutual	14.8%
Standard	15.2%
Guardian	16.5%
Mass Mutual	16.9%

Bond weightings

Bonds rated NAIC 1 to NAIC 6 are weighted by corresponding carrying value to calculate an overall rating for a given group of bonds. The lower the weighted average, the higher the quality of the bond portfolio.

NAIC 1 and 2 ratings are considered investment grade and range from AAA to BBB-. Ameritas has a high-quality bond portfolio with an average rating that equates to an A-. Why is this important? Ameritas' bond portfolio equaled 70.74% of total unaffiliated invested assets at Dec. 31, 2023, and invested assets and cash remain at 96.7% of Ameritas' general account assets.

Disability Income Competitors	Weighted Average NAIC Bond Ratings
Metropolitan	1.39%
Berkshire	1.42%
Standard	1.43%
Principal	1.44%
Industry	1.48%
Guardian	1.53%
Northwestern Mutual	1.53%
Mass Mutual	1.57%
Ameritas	1.57%

National Association of Insurance Commissioners bonds rated 3 through 6

Bonds rated NAIC 3 through NAIC 6 carry more risk and are generally considered below investment grade. When measured as a percentage of the total bond portfolio, lower percentage bond ratings reflect a higher-quality portfolio. At 4.0%, Ameritas has less exposure to below investment grade bonds, compared to 5.0% for the industry.

Disability Income Competitors	Bonds Rated 3 to 6/Bonds (%)
Berkshire	0.6%
Ameritas	4.0%
Industry	5.0%
Standard	5.2%
Guardian	5.3%
Principal	5.7%
Metropolitan	5.7%
Mass Mutual	6.0%
Northwestern Mutual	6.7%

National Association of Insurance Commissioners bonds rated 5 and 6

These bonds are at the lowest end of the rating spectrum and are near or close to defaulting. Carrying value of bonds with a 5 (lowest quality not in or near default) or 6 (in or near default) rating as a percentage of capital and surplus. The lower the percentage, the higher the quality of the bond portfolio.

Disability Income Competitors	Bonds Rated 5 and 6/ Capital & Surplus (%)
Principal	0.7%
Ameritas	0.8%
Standard	2.0%
Metropolitan	2.4%
Industry	3.8%
Guardian	4.0%
Berkshire	8.2%
Northwestern Mutual	11.0%
Mass Mutual	11.3%



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¹ Ameritas Mutual Holding Company's ratings by Standard & Poor's and AM Best include Ameritas Life Insurance Corp. and Ameritas Life Insurance Corp. of New York.

² Standard & Poor's RatingsDirect®, Feb. 28, 2024.

³ Total adjusted capital equals capital and surplus plus asset valuation reserves.

⁴ S&P Global Market Intelligence, 2023 statutory insurance data.

⁵ Debt includes surplus notes payable and real estate encumbrances on the balance sheet.

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