



**Financial Strength Benchmarking
of Disability Income Competitors**

The core financial strength of Ameritas Mutual Holding Company comes from its insurance companies. These include Ameritas Life Insurance Corp. (Ameritas Life) and Ameritas Life Insurance Corp. of New York (Ameritas Life of New York).

Delivering on our promises

As a mutual-based organization, we always put customers first. Our long-standing strength continues to support a tradition of striving to deliver the very best products and services, generation after generation. 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 (SAP) as of June 30, 2020. The source for the following information is S&P Global Market Intelligence (formerly known as SNL Financial). Ameritas Life and Ameritas Life of New York insurance company financials are available on request by calling toll-free 1-800-745-1112. Ameritas Life Insurance Corp. is not licensed in New York. The information for Ameritas is for its life insurance companies on a group basis. Ameritas Mutual Holding Company itself is not an insurance company.

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)

Ohio National – Ohio National (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 the cushion a company has against a decline in the value of its assets before its surplus is depleted. *Higher levels of capital and surplus relative to assets help support a company's operations and growth.* The statutory surplus levels of Ameritas Life and Ameritas Life of New York are above Standard & Poor's capital requirements at the 'AAA' rating level.² This represents extremely strong capital which, along with low levels of financial leverage, provides adequate financial flexibility to address 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. Ameritas companies have a capital and surplus/assets ratio of 11.4%, which is well above the life insurance industry average of 9.1% and compares favorably to our peers. A capital ratio of 11.4% means that for every \$8.8 of general account assets Ameritas insurance companies hold on their balance sheet, \$1.0 of capital is held as reserve.

Disability Income Competitors	Capital & Surplus/Assets (%)
Ameritas	11.4%
Guardian	11.0%
Massachusetts Mutual	9.7%
Northwestern Mutual	9.4%
Industry	9.1%
Ohio National	8.3%
Standard	8.1%
Principal Financial	6.6%
Berkshire	5.2%
Metropolitan	5.0%

Surplus notes/capital and surplus

Surplus notes are a form of debt for mutual insurance organizations. 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 remains at approximately 2.9% of total capital and surplus.

Disability Income Competitors	Surplus Notes/ Capital & Surplus (%)
Berkshire	- %
Principal Financial	- %
Ameritas	2.9%
Metropolitan	8.0%
Industry	9.4%
Northwestern Mutual	14.5%
Massachusetts Mutual	16.4%
Standard	16.7%
Guardian	18.5%
Ohio National	32.0%

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 value, 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 70.36% of total unaffiliated invested assets at June 30, 2020, and invested assets and cash remain at 96.5% of Ameritas' general account assets.

Disability Income Competitors	Weighted Average NAIC Bond Ratings
Metropolitan	1.39
Principal Financial	1.39
Ohio National	1.46
Standard	1.47
Berkshire	1.48
Guardian	1.50
Industry	1.50
Ameritas	1.57
Massachusetts Mutual	1.63
Northwestern Mutual	1.68

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 percentages reflect a higher quality portfolio. At 5.8%, Ameritas has less exposure to below investment grade bonds, compared to 6.0% for the industry.

Disability Income Competitors	Bonds Rated 3 to 6/Bonds (%)
Berkshire	2.4%
Ohio National	3.5%
Guardian	4.8%
Principal Financial	5.1%
Ameritas	5.8%
Industry	6.0%
Standard	6.1%
Metropolitan	6.2%
Massachusetts Mutual	9.9%
Northwestern Mutual	10.9%

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 Financial	0.3%
Ameritas	0.5%
Standard	1.4%
Ohio National	1.7%
Metropolitan	4.3%
Industry	4.5%
Guardian	5.4%
Berkshire	7.4%
Massachusetts Mutual	11.3%
Northwestern Mutual	13.4%



Ameritas Mutual Holding Company

5900 O Street
Lincoln, Nebraska 68510
ameritas.com
402-467-1122
Toll Free: 800-745-1112

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 Research Update, March 6, 2020.

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