1. The Symbol, Number, or Score in the Rating Scale used to Denote the Credit Rating Categories and Notches as required by Paragraph (a)(1)(ii)(A) of Rule 17g-7

FCCI Insurance Company

AM Best #: 011257 **NAIC #:** 10178 **AIIN / FEIN #:** 59-1365094

Financial Strength Rating	View Definition
Rating:	A (Excellent)
Financial Size Category:	XII (USD 1.00 Billion to Less than 1.25 Billion)
Outlook:	Stable
Action:	Affirmed
Effective Date:	June 4, 2026
Initial Rating Date:	December 18, 1995

Long-Term Issuer Credit Rating	View Definition
Long-Term:	a (Excellent)
Outlook:	Stable
Action:	Affirmed
Effective Date:	June 4, 2026
Initial Rating Date:	June 5, 2007

(i) Denotes Indicative Rating

u Denotes Under Review Rating

pca Best's Preliminary Credit Assessment is an independent opinion on the relative general credit strengths and weaknesses of an issuer, obligor, security, or a proposed transaction or financing structure primarily based on business plans, term sheets, and AM Best's expectations relative to the execution of such business plans. AM Best does not define a PCA as a Credit Rating; however, the assessment is expressed using the existing Best's Credit Rating scales.

Best's Credit Rating Analyst	
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	Ambest Road, Oldwick, NJ 08858
	United States
	+1 908 439 2200
Senior Financial Analyst :	Christopher Lewis
	+1 908-882-2014
Director :	Doniella Pliss

2. The Version of the Procedure or Methodology used to Determine the Credit Rating as required by Paragraph (a)(1)(ii)(B) of Rule 17g-7

Rating Methodology and Criteria Report:	Version
The following Methodologies and Criteria Procedures were used at the time of and the basis for the proposed rating	
Best's Credit Rating Methodology	08/29/2024
Catastrophe Analysis in AM Best Ratings	02/27/2026
Available Capital and Insurance Holding Company Analysis	09/18/2025
Scoring and Assessing Innovation	02/20/2025
The Treatment of Terrorism Risk in the Rating Evaluation	05/22/2025
Understanding BCAR for US Property/Casualty Insurers	10/09/2025

3. The Main Assumptions and Principles used to Construct the Procedures and Methodology used to Determine the Credit Rating as required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

Assumptions

Based on historical experience and AM Best's transition studies, ratings typically move no more than one or two notches when Rating Actions occur. However, certain factors could cause larger scale movement in the ratings. AM Best identifies the following primary factors as having the potential to significantly affect ratings:

- Data accuracy and reliability
- Interest rates
- Investment impairments
- Liquidity
- Equity markets
- Catastrophe model risk
- Reinsurance market capacity and credit risk
- Mortality risk
- Morbidity risk
- Holding company/affiliates
- Country risk
- Regulatory risk

Elements of Country Risk

AM Best defines country risk as the risk that country-specific factors could adversely affect an insurer's ability to meet its financial obligations. Country risk is evaluated and incorporated into all of AM Best's credit ratings. As part of evaluating country risk, AM Best identifies the various risks within a country that may directly or indirectly affect an insurance company.

AM Best separates these risks into three main categories: economic risk, political risk and financial system risk. Given AM Best's particular focus on the insurance industry, financial system risk is further divided into two sections: insurance risk and non-insurance financial system risk.

Economic risk is the likelihood that fundamental weaknesses in a country's economy will cause adverse developments for an insurer. AM Best's determination of economic risk evaluates the state of the domestic economy, government finances, and international transactions, as well as prospects for growth and stability.

Political risk is the likelihood that governmental or bureaucratic inefficiencies, societal tensions, an inadequate legal system or international tensions will cause adverse developments for an insurer. Political risk comprises the stability of a government and society, the effectiveness of international diplomatic relationships, the reliability and integrity of the legal system and business infrastructure, the efficiency of the government bureaucracy, and the appropriateness and effectiveness of the government's economic policies.

Financial system risk (non-insurance) is the risk that financial volatility may erupt due to inadequate reporting standards, weak banking systems or asset markets, or poor regulatory structure. Non-insurance financial system risk considers a country's banking system, accounting standards, financial market development, and government finances, and assesses how vulnerable the financial system is to external or internal volatility. Basel II & III, World Bank Insolvency Principles and international accounting standards are referenced in the analysis, as are the performances of banks, equity indices and fixed-income securities.

Insurance risk is the risk that the insurance industry's levels of development and public awareness, transparency and effectiveness of regulation, reporting standards, and regulatory sophistication will contribute to a volatile financial system and compromise an insurer's ability to pay claims. Insurance risk, which AM Best considers as a distinct subsection of financial system risk, is addressed separately because of the importance of, and AM Best's specific focus on, the industry. The determination is based heavily on the Insurance Core Principles (ICP) of the International Association of Insurance Supervisors (IAIS). AM Best employs a sizable subset of the 28 ICPs by organizing them into three categories: 1) government commitment to an open and well-regulated insurance industry; 2) adequacy of supervisory authority and its supporting infrastructure; and 3) insurer accountability.

Country Risk Tiers

The assignment of CRTs to score ranges is based on AM Best's assertion that the risk in countries can be categorized loosely to provide a basis of comparison, provided that country-by-country differences are acknowledged. Therefore, CRTs can be classified, in a typical scenario, by the following:

- CRT-1: A country receiving a CRT-1 assignment is characterized by a predictable and transparent political environment, legal system and business infrastructure, a sophisticated financial system regulation with deep capital markets, and a mature insurance industry framework.
- CRT-2: A country receiving a CRT-2 assignment is characterized by a predictable and transparent political environment, legal system and business infrastructure, sufficient financial system regulation, and a mature insurance industry framework.
- CRT-3: A country receiving a CRT-3 assignment is characterized by a developing political environment, legal system, business infrastructure, capital market, and insurance regulatory structure.
- CRT-4: A country receiving a CRT-4 assignment is characterized by a relatively unpredictable and nontransparent political, legal and business environment with an underdeveloped capital market, and a partially to fully inadequate insurance regulatory structure.
- CRT-5: A country receiving a CRT-5 assignment is characterized by an unpredictable and opaque political, legal and business environment with weak rule of law, lower human development and social instability, a limited, illiquid or nonexistent capital market, and a nascent insurance industry.

In short, as country risk increases (as measured by a higher Country Risk Tier), the distribution of ratings generally migrates down the rating scale. This same relationship effectively applies to any significant category of risk an insurer faces, i.e., higher risk exposure places pressures upon financial stability.

4. The Potential Limitations of the Credit Rating as required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

Please refer to the **Guide to Best's Credit Ratings** for the following:

- 1(a). Usage of Ratings and Limitations

- 8. Best's Rating Scales: Categories and Symbols

5. Information on the Uncertainty of the Credit Rating as required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

Please refer to the **Guide to Best's Credit Ratings** for the following:

- 2(b)ii. Quality of Information

6. Use of Third Party Due Diligence in Taking the Credit Rating Action as required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

AM Best Company did not use due diligence services of a third party in taking the Rating Action. This disclosure only applies to Rating Actions associated with asset-backed securities as defined by section 3(a)(79) of the Securities Exchange Act of 1934, as amended.

7. How Servicer or Remittance Reports were used, and with what Frequency, to Conduct Surveillance of the Credit Rating as required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

How Servicer / Remittance reports were used:

Not Applicable

Frequency of surveillance:

Not Applicable

8. A Description of the Types of Data about the Obligor, Issuer, Security, or Money Market Instrument that were Relied Upon for the Purpose of Determining the Credit Rating as required by Paragraph (a)(1)(ii)(H)(i) of Rule 17g-7

Please refer to the **Guide to Best's Credit Ratings** for the following:

- 2(b). Compile Information
- 2(b)i. Material Sources of Information

9. An Overall Assessment of the Quality of Information Available and Considered in Determining the Credit Rating as required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

Please refer to the **Guide to Best's Credit Ratings** for the following:

- 2(b)i. Material Sources of Information
- 2(b)ii. Quality of Information

10. Information Relating to Conflicts of Interest as required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

1) AM Best Company has been paid to determine the Credit Rating by the obligor being rated or the issue, underwriter, depositor, or sponsor of the security or money market instrument being rated.

Rating Opinion Characteristics	
Solicited	Participating

2) AM Best Company was also paid for services by the company other than determining Credit Ratings during the most recently ended fiscal year.

Please refer to the **Guide to Best's Credit Ratings** for the following:

- 1(d). Not an Investment Advisor or Consultant

11. An Explanation or Measure of the Potential Volatility of the Credit Rating as required by Paragraph (a)(1)(ii)(K) of Rule 17g-7

Factors and Magnitude - Change Rating:

Positive rating action could occur if the group's overall and risk-adjusted capitalization appreciate as balance sheet and investment optimization continue. Potential rating impact:Minor

A negative rating action could occur if there is a trend of deterioration in operating results that is material enough to adversely impact balance sheet strength. Potential rating impact:Minor

A negative rating action could occur if there is a significant and sustained deterioration in overall balance sheet strength or a continued trend of unfavorable reserve development. Potential rating impact:Minor

NOTE: Only a rating committee can make a rating decision and the above referenced factors would be taken into consideration, along with all available relevant information in determining a Rating Action. However, the magnitude of a potential change in the rating that could reasonably occur as a result of the impact of the factors listed above are characterized by the following summary chart:

Rating Change Characterization	Number of ICR Notches (Up or Down)
Minor	0 - 1
Moderate	2 - 3
Severe	> 3

12. The Information on the Content of the Information of the Credit Rating as required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

(1) Rating History and Performance

- Financial Strength / Issuer Credit Rating History

(2) Expected Probability of Default and Expected Loss

The Commission states that it does not expect NRSROs to alter the meanings of their Credit Ratings or rating procedures and methodologies to conform to this disclosure requirement. Rather, the Commission expects NRSROs to provide "information" to the extent it is consistent with their procedures and methodologies for determining Credit Ratings, on the expected probability of default and expected loss in the event of default. According to the Commission, this information could consist of, for example, historical default and loss statistics, respectively, for the class or subclass of the Credit Rating.

AM Best's Credit Ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of a specific default probability or loss expectation. AM Best is providing the historical default statistics or derivatives of such default statistics to comply with Rule 17g-7(a)(ii)(L)(2). AM Best does not produce any loss statistics related to any classes of Credit Ratings so it has no information about expected loss given default. Furthermore, expected losses given default is not consistent with AM Best's procedures and methodologies for determining Credit Ratings.

INSURANCE COMPANY DEFAULT RATES (FSR)

FSR	1 - Year	3 - Year	10 - Year
A++	0.00%	0.00%	0.00%
A+	0.04%	0.17%	0.51%
A	0.04%	0.27%	1.80%
A-	0.15%	0.73%	2.80%
B++	0.34%	1.45%	4.29%
B+	0.75%	2.16%	6.31%
B	1.51%	4.39%	8.81%
B-	3.45%	6.90%	12.07%
C++	3.97%	6.96%	11.20%
C+	3.51%	7.28%	11.64%
C	3.37%	7.37%	15.50%
C-	11.94%	13.95%	17.39%
D	17.35%	22.16%	29.41%

Note: Data from 1992 to 2018

1. Impairments as a Proxy for Defaults. Upon the public placement of a company, via public court order or other international equivalent, into conservation, rehabilitation and/or insolvent liquidation it is designated by AM Best as a Financially Impaired Company (FIC). Supervisory actions undertaken by Insurance Department regulators without court order are not considered impairments for purposes of compiling Securities and Exchange Commission (SEC) Exhibit 1 statistics unless clear direction is given by the regulator to delay or limit policy or contract payments.

There are a number of regulatory oversight actions that may be taken with respect to troubled insurers in which court orders are not sought, such as required company action plans, various forms and levels of supervision, and licensure actions. Companies may be subject to these insurance department orders and actions on multiple occasions, particularly in certain jurisdictions, and while these regulatory actions suggest concern and impose constraints, they are not necessarily indicative of an insurer's inability to meet its ongoing policy and contract obligations.

Additionally, companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired.

2. Construction of Default Rates of Insurance Carriers (FSR). This table was constructed by directly observing the default rates of insurance operating companies rated on the traditional Financial Strength Rating (FSR) scale.

3. Rating a Measure of Relative Credit Risk. AM Best's Credit Ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Consistent With Submission to the Securities and Exchange Commission. The data used to calculate default rates in this table is consistent with the data used to calculate the 1-year, 3-year and 10-year default rates for insurers as required by the SEC in Exhibit 1 of Form NRSRO. Unlike the single cohort method of analysis used in the submission to the Commission, however, the calculations in this table reflect the use of the average cohort approach in order to capture the effect of the various economic cycles experienced by insurance carriers since 1992 when the current 13-point FSR scale (A++ to D) was adopted by AM Best.

5. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "A++" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for companies rated "A++".

6. Data Changes Periodically. AM Best may periodically change the data in the table if warranted. The reasons for the revisions may be as follows: If AM Best 1) adds more rating cohorts which significantly changes the calculated default rates, 2) changes its criteria for recognizing insurance company defaults, or 3) incorporates new defaults or adjusts existing default data.

INSURANCE COMPANY DEFAULT RATES (ICR)

ICRs	1 - Year	3 - Year	10 - Year
aaa	0.00%	0.00%	0.00%
aa+	0.00%	0.00%	0.00%
aa	0.04%	0.17%	0.51%
aa-	0.04%	0.17%	0.51%
a+	0.04%	0.27%	1.80%
a	0.04%	0.27%	1.80%
a-	0.15%	0.73%	2.80%
bbb+	0.34%	1.45%	4.29%
bbb	0.34%	1.45%	4.29%
bbb-	0.75%	2.16%	6.31%
bb+	1.51%	4.39%	8.81%
bb	1.51%	4.39%	8.81%
bb-	3.45%	6.90%	12.07%
b+	3.97%	6.96%	11.20%
b	3.97%	6.96%	11.20%
b-	3.51%	7.28%	11.64%
ccc+	3.37%	7.37%	15.50%
ccc	3.37%	7.37%	15.50%
ccc-	11.94%	13.95%	17.39%
cc	11.94%	13.95%	17.39%
c	17.35%	22.16%	29.41%

Note: Default rates based on FSR to ICR Translation.

See Best's Credit Rating Methodology, *ICR/FSR Rating Translation Table* (Exhibit D.1)

1. Impairments as a Proxy for Defaults. Upon the public placement of a company, via public court order or other international equivalent, into conservation, rehabilitation and/or insolvent liquidation it is designated by AM Best as a Financially Impaired Company (FIC). Supervisory actions undertaken by Insurance Department regulators without court order are not considered impairments for purposes of compiling Securities and Exchange Commission (SEC) Exhibit 1 statistics unless clear direction is given by the regulator to delay or limit policy or contract payments.

There are a number of regulatory oversight actions that may be taken with respect to troubled insurers in which court orders are not sought, such as required company action plans, various forms and levels of supervision, and licensure actions. Companies may be subject to these insurance department orders and actions on multiple occasions, particularly in certain jurisdictions, and while these regulatory actions suggest concern and impose constraints, they are not necessarily indicative of an insurer's inability to meet its ongoing policy and contract obligations.

Additionally, companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired.

2. Construction of Default Rates of Insurance Carriers(ICR). This table was not constructed by directly observing the default rates of insurance operating companies rated on the 21-point Issuer Credit Rating (ICR) scale because default data associated with ICRs is sparse. It was constructed by converting each operating company Financial Strength Rating (FSR) to an equivalent ICR based on AM Best's FSR/ICR translation table.

3. Rating a Measure of Relative Credit Risk. AM Best's Credit Ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "aaa" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for companies with an equivalent "aaa" rating.

5. Data Changes Periodically. AM Best may periodically change the data in the table if warranted. The reasons for the revisions may be as follows: If AM Best 1) adds more rating cohorts which significantly changes the calculated default rates, 2) changes its criteria for recognizing insurance company defaults, or 3) incorporates new defaults or adjusts existing default data.

CORPORATE DEFAULT RATES

ICRs	1 - Year	3 - Year	10 - Year
aaa	0.00%	0.00%	0.00%
aa+	0.00%	0.00%	0.00%
aa	0.00%	0.00%	0.00%
aa-	0.00%	0.00%	0.00%
a+	0.02%	0.08%	0.26%
a	0.04%	0.17%	0.51%
a-	0.04%	0.17%	0.51%
bbb+	0.04%	0.27%	1.80%
bbb	0.04%	0.27%	1.80%
bbb-	0.15%	0.73%	2.80%
bb+	0.34%	1.45%	4.29%
bb	0.34%	1.45%	4.29%
bb-	0.75%	2.16%	6.31%

ICRs	1 - Year	3 - Year	10 - Year
b+	1.13%	3.27%	7.56%
b	1.51%	4.39%	8.81%
b-	1.51%	4.39%	8.81%
ccc+	3.45%	6.90%	12.07%
ccc	3.71%	6.93%	11.64%
ccc-	3.97%	6.96%	11.20%
cc	3.97%	6.96%	11.20%
c	3.51%	7.28%	11.64%

Note: Default rates based on notching applied to insurance ICRs.

See Best's Credit Rating Methodology, *Typical Notching Difference Between Operating Company ICR and Holding Company ICR* (Part IV, Exhibit B.1)

1. Impairments as a Proxy for Defaults. Upon the public placement of a company, via public court order or other international equivalent, into conservation, rehabilitation and/or insolvent liquidation it is designated by AM Best as a Financially Impaired Company (FIC). Supervisory actions undertaken by Insurance Department regulators without court order are not considered impairments for purposes of compiling Securities and Exchange Commission (SEC) Exhibit 1 statistics unless clear direction is given by the regulator to delay or limit policy or contract payments.

There are a number of regulatory oversight actions that may be taken with respect to troubled insurers in which court orders are not sought, such as required company action plans, various forms and levels of supervision, and licensure actions. Companies may be subject to these insurance department orders and actions on multiple occasions, particularly in certain jurisdictions, and while these regulatory actions suggest concern and impose constraints, they are not necessarily indicative of an insurer's inability to meet its ongoing policy and contract obligations.

Additionally, companies that enter voluntary dissolution and are not under financial duress at that time are not counted as financially impaired.

2. Construction of Default Rates of Corporates. This table was not constructed by directly observing the default rates of corporate ratings on the 21-point Issuer Credit Rating (ICR) scale because default data associated with corporate ICRs is sparse. Rather, this table was constructed by a) converting each default rate associated with each Financial Strength Rating (FSR) to its equivalent operating company ICR based on AM Best's FSR/ICR translation table, and then, b) converting the operating company ICR to an equivalent corporate rating based on a notching algorithm set forth in the criteria, Insurance Holding Company and Debt Ratings, to reflect the legal separation of insurance holding companies from operating insurers as well as the normal subordination of insurance holding company creditors to operating company policyholders.

3. Ratings a Measure of Relative Credit Risk. AM Best's Credit Ratings generally are intended to indicate the relative degree of credit risk of an obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Does Not Necessarily Reflect Default Expectations. The data in this table does not necessarily reflect our default rate expectations. For example, the fact that we show no default rate for the 1-year "aaa" category does not mean that we expect no defaults for this rating. It only means that we have not yet observed any historical defaults over a 1-year period for corporate obligations with an equivalent "aaa" rating.

5. Data Changes Periodically. AM Best may periodically change the data in the table if warranted. The reasons for the revisions may be as follows: If AM Best 1) adds more rating cohorts which significantly changes the calculated default rates, 2) changes its criteria for recognizing insurance company defaults, or 3) incorporates new defaults or adjusts existing default data.

ASSET-BACKED SECURITIES DEFAULT RATES (All Subclasses)

ICRs	1 - Year	3 - Year	10 - Year
aaa	0.03%	0.11%	0.42%
aa+	0.08%	0.14%	0.58%
aa	0.11%	0.17%	0.69%
aa-	0.14%	0.28%	0.88%
a+	0.16%	0.33%	1.09%
a	0.20%	0.41%	1.31%
a-	0.22%	0.62%	2.24%
bbb+	0.28%	0.96%	3.45%
bbb	0.35%	1.26%	4.50%
bbb-	0.45%	1.56%	5.48%
bb+	0.84%	2.90%	10.00%
bb	1.23%	4.68%	15.65%
bb-	1.56%	6.02%	19.50%
b+	3.28%	9.73%	31.11%
b	3.73%	10.80%	33.58%
b-	4.77%	13.08%	38.23%
ccc+	6.74%	17.66%	47.84%
ccc	10.33%	20.41%	49.46%
ccc-	13.85%	23.11%	51.07%
cc	19.53%	28.87%	57.44%
c	23.30%	31.74%	59.04%

Source: Best's Insurance-Linked Securities & Structures Methodology

Best's Idealized Issue Default Matrix (Exhibit E.2)

1. Asset-Backed Securities Default. AM Best designates an asset-backed security as being in default if the issuer of the security failed to timely pay principal or interest due according to the terms of the security.

2. Construction of Default Rates of Asset-Backed Securities. This table was not constructed by directly observing the default rates of asset-backed securities. The default rates of the ratings in this category are equivalent to the default rates in Best's Idealized Issue Default Matrix. This matrix reflects AM Best's long-term view of defaults of asset-backed securities and structured finance transactions. This view was formed by considering the defaults associated with operating insurance companies rated by AM Best, the notching process employed to derive the ratings associated with holding company debt obligations, and the need to make distinctions between rating categories.

3. Ratings a Measure of Relative Credit Risk. AM Best's Credit Ratings generally are intended to indicate the relative degree of credit risk of and obligor or debt instrument rather than reflect a measure of specific default probability.

4. Data Changes Periodically. The data in the table will change if AM Best modifies Best's Idealized Issue Default Matrix. This matrix is published in Best's Insurance-Linked Securities & Structures Methodology and may be revised based on more recent insurance company default data.

For ratings issued in or endorsed into the European Union, historic default rates published by ESMA are available at:

https://registers.esma.europa.eu/cerep-publication/

For ratings issued or endorsed into the United Kingdom, historic default rates published by the FCA are available at:
https://data.fca.org.uk/#/ceres/craStats

13. Information on the Sensitivity of the Credit Rating to Assumptions as required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

Topic	(1) Key Assumption Detail	(2) Potential Impact on the Rating
Data Accuracy and Reliability	While public information is considered as part of the rating process, AMB relies primarily on audited financial statements, third party actuarial reports, documents and assertions provided by management. The assumption is that the financial information provided is reliable and credible, although AMB does not undertake to verify the accuracy of this information.	A material misstatement of financial performance or capital position, whether through negligence or fraud, could negatively affect a company's rating. For example, inflated asset valuations or a faulty actuarial opinion of reserve adequacy could result in an incorrect assessment of the financial strength of a company.
Investment Impairments	Investment impairments at or below the historical average.	Significant downgrades in credit quality of fixed income portfolios, realized losses through impairments of invested assets increases required capital and reduces net income and capital/surplus. Rating Action may occur.
Equity markets	Assumes reversion to mean historical returns.	Significant declines in global equity markets of > 30% would result in greater net amount at risk and need to set up additional reserves for equity linked products. Also results in lower product fees and risk adjusted capitalization which could negatively impact the rating.
Catastrophe Model Risk	Key assumption used in determining this rating takes into consideration information provided by third party catastrophe modelers. Best does not validate these models but assumes a degree of confidence in these models which Best uses as a benchmark to measure a company's exposure to modeled catastrophe risk. Best also uses this modeled output as a discussion point around enterprise risk management and risk mitigation. While this output can have a high degree of variability, Best believes these models are very useful tools which provides its users with the expertise, research and technical knowledge otherwise unavailable to them. Company specific data quality, data resolution and historical model reliability are also elements which lend itself to confidence in the modeled loss provided.	Catastrophe models are risk management tools that can vary widely due to the actual event (versus model event set) and model sensitivities including geocoding / data resolution, data quality (construction / ITV), reliability (missing information) and coverage. Therefore, if assumptions used in the model prove to be significantly different from actual performance, a company's capital position can be potentially exposed to a material negative impact due to a lack of reinsurance protection. Rating pressure may occur as a result.
Reinsurance Market Capacity and Credit Risk	A key assumption used in the determination of this rating assumes no material change in availability and/or credit quality of its reinsurers; receivable balances to be current with no evidence of overdue material balances or third-party credit default/dispute risk. Given the significant role that third party reinsurance plays in this rating, this rating is heavily dependent on reinsurance and susceptible to reinsurer default.	In the event reinsurance capacity available to the company is materially and negatively impacted and/or its reinsurers inability or unwillingness to pay its claims, negative rating pressure could occur.

14. Information on the Representations, Warranties, and Enforcement Mechanisms as required by Paragraph (a)(1)(ii)(N) of Rule 17g-7

The representations, warranties, and enforcement mechanisms available to investors which were disclosed in the prospectus, private placement memorandum, or other offering documents for the asset-backed security and that relate to an asset pool underlying the asset-backed security. This disclosure only applies to Rating Actions associated with asset-backed securities as defined by section 3(a)(79) of the Securities Exchange Act of 1934, as amended. Furthermore, the disclosure applies to asset-backed securities that were initially rated on or after September 26, 2011.

15. Attestation as required by Paragraph (a)(1)(iii) of Rule 17g-7

Attestation

Attached is a signed statement by a person within AM Best that has responsibility for the Rating Action and, to the best knowledge of the person: (A) No part of the Credit Rating was influenced by any other business activities; (B) The Credit Rating was based solely upon the merits of the obligor, security, or money market instrument being rated; and (C) The Credit Rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

As the person responsible for this Rating Action, which was determined through the rating committee process, to the best of my knowledge:

- No part of the Credit Rating was influenced by any other business activities;
- The Credit Rating was based solely upon the merits of the obligor, security, or money market instrument being rated; and
- The Credit Rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument.

Note: Best's Credit Ratings are a product/service of AM Best Rating Services, Inc. and not of any particular individual group or committee within AM Best.

Name, Title: **/s/ Doniella Pliss**, Director

16. Additional Regulatory Disclosures

Key Elements Underlying the Rating

The Rating Rationale is based on the consolidated financials of the Rating Unit 018290 FCCI Insurance Group of which 011257 FCCI Insurance Company is a member.

Rating Rationale

Balance Sheet Strength: Strongest
• The risk-adjusted capitalization of FCCI Insurance Group (FCCI) as measured by Best's Capital Adequacy Ratio (BCAR) remains well within the strongest range. It has been supported by consistent policyholders' surplus growth, which has outpaced net premiums written growth over the last five years. • The group has multiple sources of liquidity and has displayed favorable reserve development in the 2023 and 2024 accident years. • The group has a strong reinsurance program, with partners required to maintain solid ratings, and reinsurance dependence that compares favorably to the industry. • While there has been an ongoing reduction in exposure to higher-risk assets, it remains above peers. The group's risk-adjusted capital and favorable investment results mitigate this concern.
Operating Performance: Adequate
• FCCI has generated net income in the prior five years with investment income offsetting challenges in underwriting income. Underwriting results were profitable in 2025. • Some of FCCI's operating performance metrics lag the commercial casualty composite; however, they remained closely aligned with most rating units with an adequate assessment. • The group's five-year investment yield outperforms the industry average. • In recent years, positive underwriting results in workers' compensation and liability lines offset losses in property and auto segments. However, near-term property and auto results have benefited from higher rates.
Business Profile: Neutral
• FCCI is a regional, multi-line commercial insurer with concentration in the commercial auto, commercial multi-peril and other liability lines of business. • The group's expansion outside of Florida has reduced that state's share of FCCI's total direct premiums over time. • The group has expanded its product offering to include surety and excess & surplus lines of business, further leveraging its construction expertise and strong agency plant. • The group has a long history of writing workers' compensation and commercial auto liability policies. This aspect helps mitigate the product risk associated with these lines of business.
Enterprise Risk Management: Appropriate
• The group's enterprise risk management (ERM) program is appropriate for the size and scope of its operation. Management sets the tone for the group and promulgates extensive risk oversight. • The group utilizes stochastic modeling as a basis for informing its strategic decisions and validating its corporate risk appetite. • Risks are categorized as quantifiable, tangible operating, or emerging. Quantifiable risks include inflation, loss reserves, equity market volatility, underwriting pricing, natural catastrophes, and changes in interest rates. • A comprehensive reinsurance program is in place across major lines of business. The group also maintains a multi-pillared approach to mitigating cyber risk that includes employee training, response plans, and liability coverage.

Outlook Rationale

The stable outlooks reflect the expectation that the group will maintain its strongest level of balance sheet strength through continued surplus growth supported by robust investment income and profitable underwriting performance. Results will continue to benefit from a stable market position, appropriate pricing and prudent approach to risk selection.

Note: An outlook determination is assigned in tandem with a Best's Credit Rating and other opinion types to supplement the opinion by providing an indication of the potential future direction of the opinion over an intermediate period, generally defined as 36 months. For additional information refer to: Guide to Best's Credit Ratings

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- For information on the person primarily responsible for approving the credit rating, please see Section 15 above.
- For information on the substantially material sources of information for this rating action, please see Section 8 above.
- For more information on the methodology used to develop this rating action, please see Section 2 above.
- The below listed model was used to determine this rating. For a description of the model, see the link to the associated criteria in Section 2.
  - US Property/Casualty Best's Capital Adequacy Ratio (BCAR) Model
- For information on actions or events that could lead to an upgrade or downgrade, please see Section 11 above.
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