

NEWS RELEASE

AM Best Affirms Credit Ratings of Ardellis Insurance Ltd.

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OLDWICK, N.J.--(BUSINESS WIRE)-- **AM Best** has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a" (Excellent) of Ardellis Insurance Ltd. (Ardellis) (Bermuda). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Ardellis' balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management (ERM).

Ardellis is a wholly owned subsidiary of UFP Industries, Inc., and provides reimbursement coverage for medical stop-loss, workers' compensation, general liability, automobile physical damage liability, property and trade credit receivables to its parent and its subsidiaries. In addition, Ardellis provides coverages for medical stop-loss, excess property and excess general liability coverages for unrelated parties. Currently, approximately 54% of Ardellis' premium represents third-party business.

Ardellis' balance sheet strength remains very strong, supported by the strongest level of risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR). The company's operating performance has been favorable, with loss and expense ratio metrics that, on average, have outperformed the general property/casualty industry driven by underwriting expertise, safety and loss control practices, as well as low overhead. AM Best considers Ardellis' ERM framework and risk management capabilities appropriate for its risk profile. Furthermore, Ardellis benefits from being an integral part of its parent's ERM framework.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of

the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's **Recent Rating Activity** web page. For additional information regarding the use and limitations of Credit Rating opinions, please view **Guide to Best's Credit Ratings**. For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view **Guide to Proper Use of Best's Ratings & Assessments**.

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