



December 11, 2020

We are very pleased to announce that AM Best has affirmed EMC National Life Company's (EMCNL's) financial strength rating of "A-" (Excellent) with a stable outlook. This solid rating is assigned to companies that have, in AM Best's opinion, an excellent ability to meet their ongoing obligations to policyholders.

According to Best's Rating Report, "The ratings of EMCNL reflect its balance sheet strength, which AM Best categorizes as very strong...its strategic importance to its parent, EMCC, its diversified product profile of life, annuity and workplace products, strong risk-adjusted capitalization..."

EMCNL demonstrates a strong financial standing with a total adjusted capital and surplus in excess of \$113.96 million and total assets of \$886.52 million at the end of 2019.

Our formula for Success in 2020 was Focus, Discipline and Momentum as we execute our business plan and move forward with profitable and sustainable growth.

Eric J. Faust
President & CEO

Chris D. Frazier
COO, CFO & Treasurer

Information in this letter is updated annually.

EMC National Life Company
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FINANCIAL HIGHLIGHTS

as of December 31, 2019

- Total assets of \$886.52 million at year-end 2019
- Total capital and surplus and asset valuation reserve (AVR) of \$113.96 million; the AVR supports EMCNL's long-term investment strategy by providing a cushion against potential equity and credit losses
- Total life insurance in force of \$13.96 billion
- EMCNL's investment yield on invested assets for 2019 was 4.52 percent, compared to 4.41 percent* for the life insurance industry
- EMCNL's non-investment grade bonds at year-end were 0.65 percent of total bonds, compared to 5.19 percent for the life insurance industry as of Dec. 31, 2019; EMCNL's non-investment grade bonds have averaged 1.19 percent of total bonds over the last five years, compared to the life insurance industry average of 5.65 percent over the five-year period ending Dec. 31, 2019*

INVESTMENT TYPE	BOOK VALUE	PERCENT OF TOTAL
Bonds	\$ 694,784,815	83.0%
Common & Preferred Stock	\$ 32,770,495	3.9%
Mortgage Loans	\$ 64,374,460	7.7%
Real Estate	\$ 971,753	0.1%
Policy Loans	\$ 17,980,413	2.1%
Cash & Short-Term Investments	\$ 16,878,448	2.0%
Other Invested Assets	\$ 9,101,041	1.1%
Total Invested Assets	\$ 836,861,425	

*Industry data from S&P Global Marketing Intelligence Report retrieved May 2020

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