December 12, 2025

Last week, EMC announced a definitive agreement to sell ownership interest in EMC Life to Avocet Partners; a transaction that's expected to close in 2026. Due to this announcement, AM Best has changed the ratings for EMC Life from the Excellent category to Good. This rating activity by AM Best is routine and expected with sale announcements, due to the associated change in capital backing that comes along with an ownership change.

Over the coming months, EMC Life and Avocet will work together to address any questions AM Best might have with the goal of restoring EMC Life's rating.

EMC Life rating information:

- Financial Strength Rating (FSR) of B++ (Good)

- Long-Term Issuer Credit Rating (Long-Term ICR) of bbb+ (Good)

- In its news release AM Best said, "The ratings reflect EMCNL's balance sheet strength, which AM Best assesses as very strong, as well as its marginal operating performance, limited business profile and appropriate enterprise risk management."

EMC Life demonstrates a strong financial standing with a total adjusted capital and surplus in excess of $105 million and total assets of $722 million at the end of 2024.

We appreciate your support as we work through this transition.

Financial highlights

as of December 31, 2024

- Total assets of $722.57 million at year-end 2024

- Total capital and surplus and asset valuation reserve (AVR) of $113.4 million; the AVR supports EMC Life's long-term investment strategy by providing a cushion against potential equity and credit losses

- Total life insurance in force of $15.3 billion

- Total profit for 2010-2024 of $75.9 million

- $40 million net life and annuity premiums in 2024

- $45.5 million in life and annuity benefits paid in 2024

Investment Type	Book Value	Percent of Total
Bonds	$502,200,000	77.3%
Common & Preferred Stock	$17,190,000	2.6%
Mortgage Loans	$71,830,000	11%
Policy Loans	$16,198,648	2.4%
Cash & Short-Term Investments	$27,280,000	4.1%
Other Invested Assets	$14,910,000	2.2%
Total Invested Assets	$649,608,648	