Federal Life Assigned A- (Excellent) Financial Strength Rating from AM Best

January 4, 2024

Significant Milestone Achieved as Company Celebrates the 125th Anniversary of its Founding in 1899

CHICAGO, Jan. 04, 2024 (GLOBE NEWSWIRE) -- We are pleased to announce that AM Best has assigned a Financial Strength Rating of “A-” (Excellent) and a Long-Term Issuer Credit Rating of “a-” (Excellent) to Federal Life Insurance Company, a leading insurance business that has been protecting individuals and families with valuable products for 125 years. The outlook assigned to these Credit ratings (ratings) is stable. The AM Best A-/a- ratings are given to companies that have an excellent ability to meet their ongoing insurance and senior financial obligations.

“The AM Best A- rating demonstrates Federal Life’s very strong risk-adjusted capitalization and balance sheet strength, and its achievement has been foremost amongst our business goals,” said Knut Olson, Chief Executive Officer and Director of Federal Life, who joined the Company in August 2023. “The Company’s focus on profitable growth implemented by our new leadership team can now be accelerated using our partnerships with other leading life insurers, banks, IMOs, general agencies, and worksite distributors, to market a broad portfolio of protection, asset accumulation and supplemental life and health products,” added Olson.

Federal Life’s business plan focuses on a portfolio of accident and health insurance, along with life and annuity products. Following a change in its corporate structure in 2018, the company introduced its first new product, a hospital indemnity product, in 2022. Additional new products are being developed to supplement Federal Life’s existing suite of products and legacy life and annuity book of business.

“Our business plan contemplates rapid premium growth and impressive operating profitability, coupled with high operational performance,” said Tom Marra, Chairman of the Board of Federal Life Insurance Company.

AM Best’s report acknowledged that rapid premium growth in 2022 and 2023 evidence early successes of the plan; also noting that successful launches of new products and further distribution development are key to realizing the company’s growth and expansion milestones.

“Our strong and flexible financial structure contributed to our AM Best A- rating,” said John Horbal, Chief Financial Officer of Federal Life. “Federal Life has been very strategic in creating a financial profile that gives our clients and partners confidence in our financial stability,” added Horbal.

AM Best is a global credit rating agency, news publisher and data analytics provider specializing in the insurance industry. Headquartered in the United States, the company does business in over 100 countries. For the latest Best’s Credit Rating, access www.ambest.com.

About Federal Life
Federal Life is a leading insurance business that has been protecting individuals and families with valuable products for 125 years. Incorporated in 1899 and headquartered in the Chicago metropolitan area, Federal Life is proud of its longstanding tradition of financial strength, stability and as an innovator in the industry. Federal Life is excited to deliver the next generation of accident & health, life, and annuity products through innovative product design and risk management solutions for insurance and reinsurance clients.

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