

Standard & Poor's Affirms Penn Mutual's AA- Rating

Standard & Poor's (S&P) Rating Services has affirmed the AA- financial strength and stable outlook ratings for The Penn Mutual Life Insurance Company and its wholly owned subsidiary, Penn Insurance & Annuity Co. (collectively, Penn Mutual).

S&P cited the company's "extremely strong capital adequacy and liquidity, conservative approach, commitment to a mutual ownership structure, well-developed and diversified distribution channels, and broker-dealer ownership," as major rating factor strengths.

According to S&P's rationale, the rating reflects "the inherently conservative nature of the company and its management. This conservatism is evident in a number of factors, including the strength of the company's capital base and the generally high quality and liquid nature of its investment portfolio. Additionally, the mutual ownership structure provides management with sufficient flexibility to institute its initiatives, such as strengthening and expanding its well-diversified distribution network, in support of the company's longer-term objectives."

According to Penn Mutual's Chairman, President, and Chief Executive Officer, Robert E. Chappell, "Our rating affirmation by S&P is good news for all of our stakeholders, including our policy and contract holders, our field partners and our home office associates. We are very gratified that all three rating agencies—A.M. Best, Moody's, and now Standard & Poor's—have affirmed our ratings and stable outlook over the last 12 months, clearly one of the most challenging economic periods our country has faced. Our commitment to mutuality and our focus on life insurance as the foundation of a sound financial plan-- both long-standing business strategies—are the key drivers to our legacy of financial strength."

These ratings demonstrate our financial strength and commitment to our policyholders. Please note that this rating applies only to Penn Mutual's claims-paying ability and not to the products we offer or their underlying investments. Penn Mutual's AA- rating ranks the third highest out of 16 ratings.