

## **A.M. Best Affirms Ratings of Harbor Point Limited and Its Subsidiaries**

### CONTACTS:

Analyst(s)	Public Relations
Mark Murray	Jim Peavy
(908) 439-2200, ext. 5126	(908) 439-2200, ext. 5644
mark.murray@ambest.com	james.peavy@ambest.com

Robert DeRose	Rachelle Morrow
(908) 439-2200, ext 5453	(908) 439-2200, ext. 5378
robert.derose@ambest.com	rachelle.morrow@ambest.com

### **FOR IMMEDIATE RELEASE**

OLDWICK, N.J., SEPTEMBER 26, 2008

**A.M. Best Co.** has affirmed the financial strength rating (FSR) of A (Excellent) and issuer credit ratings (ICR) of "a" of **Harbor Point Re Limited** (Harbor Point) (Bermuda) and its subsidiary, **Harbor Point Reinsurance U.S., Inc.** (HPRUS) (Greenwich, CT). Concurrently, A.M. Best has affirmed the ICR of "bbb" of the parent holding company, **Harbor Point Limited** (Bermuda). The outlook for all ratings is stable.

The ratings reflect Harbor Point's solid performance since inception, strong level of risk-adjusted capitalization and well diversified business profile. The ratings also recognize the successful development of its U.S. platform, which was included in the business plans presented to A.M. Best during the initial rating process and reflects management's success in transitioning from its origin as part of **The Chubb Corporation** (Chubb) (Warren, NJ).

Formed in 2005, Harbor Point was a spin-off of the reinsurance operations of Chubb Re, a subsidiary of Chubb. While the book of business under Chubb ownership was predominantly long-tailed casualty reinsurance, management took advantage of attractive market conditions in catastrophe-exposed property lines in recent years, which resulted in very favorable returns and diversification of the book of business, as well as enhancement of the market profile of Harbor Point.

Harbor Point's strengths are partially offset by the volatility in economic conditions, softening rates in the property/casualty industry and competition from traditional reinsurers as well as capital market alternatives. This additional capacity has impacted premium levels during 2008 as pricing of reinsurance coverage has declined, resulting in Harbor Point non-renewing accounts where rates were not adequate to compensate for the risks the company would bear. While future market conditions are very uncertain given the volatility in the insurance market and the overall economy, A.M. Best expects Harbor Point to

continue to perform and maintain risk-adjusted capitalization in a manner, which supports its current rating level given management's prudent operating strategies evidenced by historical execution and performance.

For Best's Ratings, an overview of the rating process and rating methodologies, please visit Best's Rating Center.

**Founded in 1899, A.M. Best Company is a global full-service credit rating organization dedicated to serving the financial and health care service industries, including insurance companies, banks, hospitals and health care system providers.**

View a list of companies related to this press release. The list will include Best's Ratings along with links to additional company specific information including related news and reports.

---

A.M. Best's credit ratings are independent and objective opinions, not statements of fact. A.M. Best is not an Investment Advisor, does not offer investment advice of any kind, nor does the company or its Ratings Analysts offer any form of structuring or financial advice. A.M. Best's credit opinions are not recommendations to buy, sell or hold securities, or to make any other investment decisions.

A.M. Best receives compensation for interactive rating services provided to organizations that it rates. A.M. Best may also receive compensation from rated entities for non-rating related services or products offered by A.M. Best. A.M. Best does not offer consulting or advisory services. For more information regarding A.M. Best's rating process, including handling of confidential (non-public) information, independence, and avoidance of conflicts of interest, please read the A.M. Best Code of Conduct.

---

**Copyright © 2008 by A.M. Best Company, Inc. ALL RIGHTS RESERVED**  
No part of this report may be distributed in any electronic form or by any means, or stored in a database or retrieval system, without the prior written permission of the A.M. Best Company. Refer to our terms of use for additional details.