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AM Best Comments on Credit Ratings of Global Atlantic Financial Group Limited and Its Subs Following Acquisition Announcement

CONTACTS:

Anthony McSwieney	Christopher Sharkey
Senior Financial Analyst	Manager, Public Relations
+1 908 439 2200, ext. 5715	+1 908 439 2200, ext. 5159
anthony.mcswieney@ambest.com	christopher.sharkey@ambest.com

Michael Porcelli	Jim Peavy
Director	Director, Public Relations
+1 908 439 2200, ext. 5548	+1 908 439 2200, ext. 5644
michael.porcelli@ambest.com	james.peavy@ambest.com

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AM Best has commented that the Financial Strength Rating (FSR) of A (Excellent) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of “a” of the members of the Global Atlantic Group (Global Atlantic) remain unchanged after the announcement of a definitive agreement by KKR & Co. (KKR) to acquire a controlling interest in these companies. The group members are Commonwealth Annuity and Life Insurance Company (Brighton, MA), its subsidiaries, First Allmerica Financial Life Insurance Company (Brighton, MA), Forethought Life Insurance Company (Indianapolis, IN), Accordia Life and Annuity Company (Des Moines, IA), and its affiliates, Global Atlantic Re Limited and Global Atlantic Assurance Limited. AM Best also comments that the Long-Term ICRs of “bbb” of Global Atlantic Financial Group Limited, the ultimate parent holding company, and its wholly owned subsidiaries Global Atlantic Financial Life Limited and Global Atlantic (Fin) Company (Finco) remain unchanged. All companies are domiciled in Bermuda unless otherwise specified. Additionally, AM Best is taking no rating action on the Long-Term Issue Credit Rating of “bbb” on the \$150 million 8.625% senior unsecured notes, due 2021, initially issued by Forethought Financial Group, Inc. and assumed by Finco. The outlook for these Credit Ratings (ratings) is stable. The ratings of Global Atlantic were affirmed on Feb. 26, 2020 (see related press release).

KKR is a leading global investment management firm that was founded in 1976 as Kohlberg, Kravis, Roberts & Co. To date, KKR has completed over 280 private equity transactions. Global Atlantic is

Related Companies

For information about each company, including the Best's Credit Reports, group members (where applicable) and news stories, click on the company name. An additional purchase may be required.

AMB# Company Name

061755	Accordia Life and Annuity Company
008491	Commonwealth Annuity and Life Ins Co
007086	First Allmerica Financial Life Ins Co
055380	Forethought Financial Group, Inc.
009053	Forethought Life Insurance Company

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expected to continue to operate under its existing structure as a subsidiary of KKR with the management team and all legal entities intact. AM Best expects that Global Atlantic Financial Group Limited may benefit from enhanced financial flexibility and access to new sources of capital under KKR. Total consideration will be 100% of book value at the time of close. The acquisition is all cash and the transaction is expected to close in the first quarter of 2021, pending required regulatory approvals and the satisfaction of other customary closing conditions.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's Recent Rating Activity web page. For additional information regarding the use and limitations of Credit Rating opinions, please view Guide to Best's Credit Ratings. For information on the proper media use of Best's Credit Ratings and AM Best press releases, please view Guide for Media - Proper Use of Best's Credit Ratings and AM Best Rating Action Press Releases.

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