

# Fitch awards AAA rating for Mutual & Federal

South African short-term insurer, Mutual & Federal, has been awarded a AAA (ZAF) rating for insurer financial strength by Fitch, the international rating agency.



According to Fitch, Mutual & Federal maintains strong liquidity and solvency, underpinning its ability to fulfil its obligations to policyholders resulting in superior security for customers and intermediaries.

For companies in the short-term insurance space, the key measure for success and sustainability is the ability to pay claims promptly and fairly. The ratings announcement reinforces the point that Mutual & Federal meets its value proposition to its clients; to pay valid claims promptly, turning setbacks into comebacks.

## Solid position

Jaco van der Sandt, Mutual & Federal finance director, says the rating recognises Mutual & Federal's solid position as the second largest short-term insurer and its strong value proposition in the markets it serves. "The rating confirmed Mutual & Federal as core to the Old Mutual group which further adds to the strength of the Mutual & Federal brand proposition."

Fitch cited Mutual & Federal's conservative investment strategy and well-established business position as key drivers of their decision to award the rating. Mutual & Federal is currently trading with an active Global Credit rating of AA+.

"We are very pleased with the outcome of this rating and we look forward to continue to deliver real value to all our stakeholders including policyholders, intermediaries, employees and shareholders," Van der Sandt concluded.