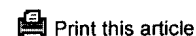


# A.M. Best Removes Ratings of Presidential Life Insurance Company From Under Review



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## FOR IMMEDIATE RELEASE

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**A.M. Best Co.** has removed from under review with negative implications and affirmed the financial strength rating of B+ (Good) and issuer credit rating (ICR) of "bbb-" of **Presidential Life Insurance Company** (Presidential Life) and the ICR of "bb-" of **Presidential Life Corporation** (Presidential Life Corp) (both of Nyack, NY) [NASDAQ: PLFE]. The ratings have been assigned a stable outlook.

The rating affirmation of Presidential Life reflects its favorable risk-adjusted capitalization, growth in its core annuity business and positive earnings over a five-year period. While the company's earnings are positive and capitalization levels remain favorable, both its capitalization and pre-tax earnings declined in recent years due to the economic crisis and low interest rate environment. In addition, A.M. Best believes lower investment yields due to the current interest rate environment may result in further spread compression and lead to lower earnings.

The rating was placed under review with negative implications on December 11, 2009 due to lack of clarity regarding 13-D filings made with the Securities and Exchange Commission pertaining to the Board of Directors and the former Chairman of the Board. Following discussions with Presidential Life's management team, it is A.M. Best's current opinion that the ultimate impact from the SEC filings will most likely not result in a negative rating action.

The stable outlook reflects Presidential Life's increase in new business writings, continued profitable operating posture and favorable capitalization ratios.

For Best's Credit Ratings, an overview of the rating process and rating methodologies, please visit [Best's Ratings & Analysis](#).

The principal methodologies used in determining these ratings, including any additional methodologies and factors that may have been considered, can be found at [Best's Credit Rating Methodology](#).

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