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Standard & Poor's reaffirms Knights of Columbus AAA rating *K of C's investment portfolio has 'very strong credit quality'*

(NEW HAVEN, CT) — For the 16th consecutive year, the Knights of Columbus insurance program has earned Standard & Poor's highest rating: AAA (Extremely Strong). With more than 140 years experience, S&P is the financial industry's foremost independent rating bureau, providing investment, credit, and risk analyses of financial institutions around the world.

"K of C is achieving its primary objective of providing members and their families with high-quality, low-cost insurance products," the 2008 S&P rating report said. The Knights of Columbus insurance program has "a stable outlook," and in addition, its "capitalization is expected to remain extremely strong, and liquidity is expected to remain extremely strong also."

The report cited the strengths of the K of C's operational and financial management, calling its financial strategy "very conservative, as demonstrated by its capital structure, investment portfolio, and approach to business growth." It further claimed that "K of C's capital adequacy, as measured by Standard & Poor's capital model, is among the strongest in the industry."

Referring to the K of C's management of its assets, the S&P report stated, "the investment portfolio has very strong credit quality, with the majority of assets being invested in publicly traded investment-grade bonds. Management's strategy is to grow its business conservatively by offering profitable products and adhering to strict underwriting standards. Standard & Poor's expects this level of conservatism to continue."

"The company returned 87% of its earnings to its members in 2007," S&P added. "Its consistently strong profitability is attributable to high persistency rates, favorable mortality experience, and strong investment returns over the past 10 years."

Supreme Knight Carl A. Anderson welcomed the news from S&P, and noted that "despite the difficulties suffered by so many well-known financial institutions due to the sub-prime mortgage crisis, we have not only remained solvent but improved our financial stability, while continuing to provide top quality products and service to our members."

The Knights of Columbus recently received an A.M. Best Company rating of A++ (Superior) for the 33rd consecutive year. The K of C is one of only five insurance providers in North America to receive the highest ratings from both Standard & Poor's and A.M. Best, as well as certification from the Insurance Marketplace Standards Association (IMSA) for ethical business practices.

Founded 126 years ago, the Knights of Columbus is a fraternal benefit society and is the world's largest lay Catholic organization with more than 1.75 million members. Last year members of the Knights of Columbus donated more than 68 million hours of volunteer service for charitable causes, and contributed more than \$144 million to charity.

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