FitchRatings

Insurance

Composite Insurers / U.S.A.

HCC Insurance Holdings, Inc.

And Insurance Subsidiaries

Full Rating Report

Ratings

Long-Term Issuer Default Rating	A+
Houston Casualty Company	
Insurer Financial Strength	AA–

Note: See additional ratings in appendix.

Rating Outlooks

Holding Company

Stable

Operating Companies

Negative

Financial Data

HCC Insurance Holdings, Inc.

($ Mil.)	2015	1H16
Net Income	302	187
Total Capital	4,854	5,137
Total Debt	950	950
Combined Ratio (%)	86.1	87.9

Note: GAAP accounting.
Source: SEC filing.

Related Research

2016 Outlook: U.S. Life Insurance (Low Interest Rates Remain an Earnings Headwind) (December 2015)

2016 Outlook: U.S. Property/Casualty Insurance (Competitive Forces Promote Earnings Decline) (December 2015)

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Key Rating Drivers

Ownership Limits Ratings: HCC Insurance Holdings, Inc. was acquired by Tokio Marine Holdings, Inc. in October 2015 for $7.3 billion. Fitch Ratings aligns HCC's operating company Issuer Default Rating (IDR) with that of its new parent's core operating companies, but allows the IFS rating to be one notch above those same core operating companies. The Tokio Marine operating company 'A+' Insurer Financial Strength rating with a Negative Outlook is constrained by the operations' exposure to country risks in Japan (Fitch local-currency sovereign rating: A/Outlook Negative), which Fitch views as only indirectly affecting U.S.-based HCC.

Consistently Favorable Underwriting Results: HCC is a specialty underwriter that targets a combined ratio of 88% over any five-year period with its current mix of business. From fiscal 2011 to 2015, the combined ratio averaged 85%. In order to accomplish this goal, HCC maintains a leading market position in a number of narrowly defined, less correlated specialty insurance lines.

Compensation Linked to Profitability: HCC compensates both underwriters and executive officers on the company's long-run profitability, thus incentivizing employees to focus on both short-term and long-term profitability. The compensation strategy tangibly helps the company achieve consistently solid underwriting results throughout market cycles.

Solid Capitalization: Fitch Ratings views HCC's property/casualty (P/C) insurance subsidiaries as strongly capitalized based on a net written premiums/equity ratio of 0.7x and an RBC ratio of 287% as of Dec. 31, 2015. HCC Life Insurance Co. reported a 241% company action level RBC ratio, which Fitch views as solid given the short-tail nature of its products and predictability of earnings. HCC's financial leverage ratio remained moderate at or below 20% and has very high fixed-charge coverage both as of June 30, 2016 due to low interest rates on debt.

Adequate Reserves: HCC has a history of favorable reserve experience and the company's overall reserve position developed favorably by $35 million in 2015. Fitch believes the company's process for setting reserves is robust and is prudent in setting initial reserve levels. There is one area of past reserve deficiencies related to Spanish surety bonds, but Fitch believes that issue is appropriately reserved for and continues to wind down with the passage of time.

Rating Sensitivities

Factors Supporting a Downgrade: Factors that could lead to a downgrade include a downgrade of Tokio Marine's operating company IDR or a material change in operating profile.

Fitch believes it is unlikely that any potential future downgrade of the HCC ratings would be to levels lower than those of the parent.

Factors Supporting an Upgrade: Fitch views a rating upgrade as unlikely, but an upgrade of Tokio Marine's IDR could result in an upgrade to HCC's ratings.

Market Position and Size/Scale

Medium Market Position

- Solid niche position in specialty markets.
- Market leader in medical stop-loss coverage.

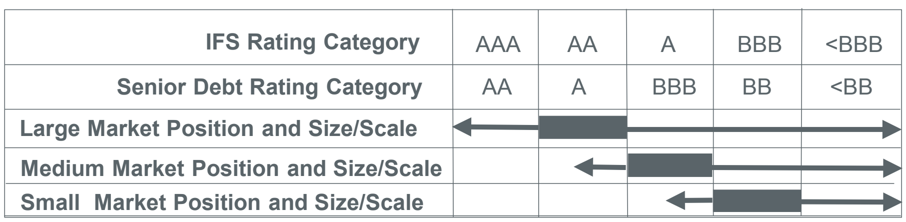
Solid Niche Position in Specialty Markets

HCC's underwriting operations focus on several narrowly defined, low-correlated specialty insurance lines, which generate consistent underwriting profits.

Market Leader in Medical Stop-Loss Coverage

HCC's accident and health (A&H) segment primarily consists of medical stop-loss coverage for employer-sponsored, self-insured health plans, which allows organizations that self-insure their group medical insurance to limit their aggregate and specific losses. The company's scale and low cost structure allows it to remain a top competitor in this marketplace.

Ratings Range Based on Market Position and Size/Scale



Related Criteria

Insurance Rating Methodology (September 2016)

Corporate Governance

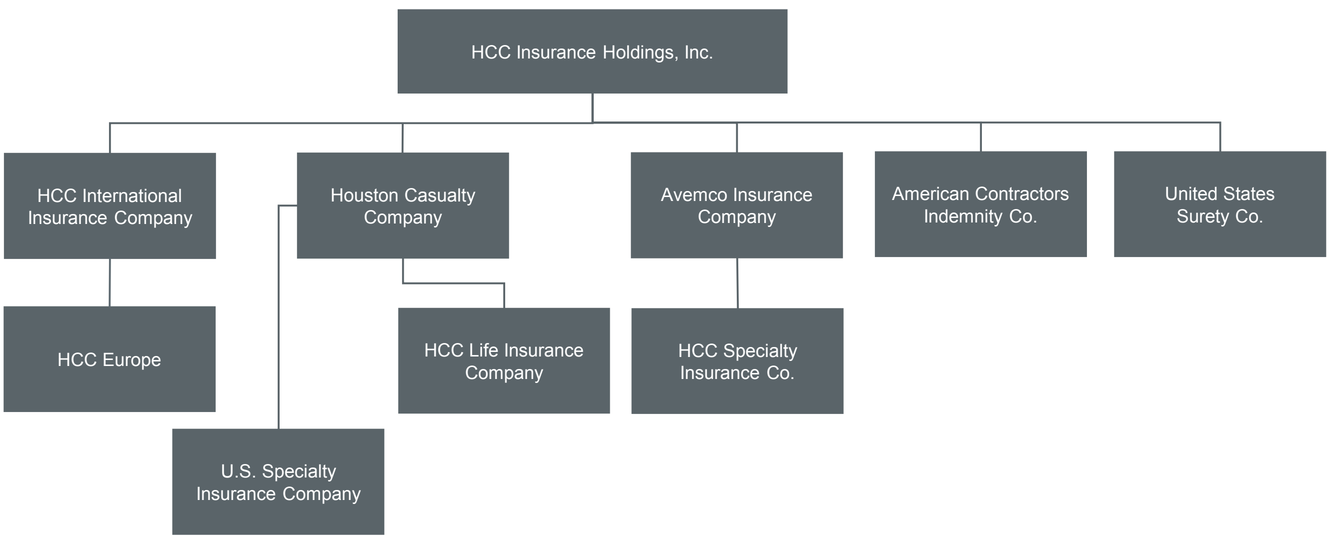
Corporate governance and management are adequate and neutral to the rating.

Ownership Is Negative to the Rating

HCC is a specialty insurance group formed in 1974 based in Houston and acquired by Tokio Marine in October 2015 for $7.3 billion. Fitch aligns HCC's operating company IDR with that of its new parent's core operating companies, but allows the IFS rating to be one notch above those same core operating companies. The Tokio Marine operating company IFS rating of 'A+' is constrained by the operations' exposure to country risks in Japan (Fitch local-currency sovereign rating: A), which Fitch views as only indirectly affecting U.S.-based HCC.

Organizational Structure

Simplified Organizational Structure



Source: HCC.

Industry Profile and Operating Environment

Property/Casualty Industry Has a Relatively Low Risk Profile

U.S. Non-Life Industry Has Solid Capital, but Premium Rates Are Weakening

Key U.S. non-life industry risk factors include cyclical pricing, intense market competition, pricing and reserving uncertainty, investment risk tied to fixed-income and equity holdings, catastrophe loss exposures and regulatory issues. Industry aggregate policyholders' surplus continues to expand to historic record levels. P/C industry capital adequacy remains strong based on traditional operating leverage measures, RBC ratios and Fitch's Prism capital model. The fundamental sector outlook remains stable.

The P/C industry in aggregate generated a significant underwriting profit for the third consecutive year in 2015. More favorable performance is largely due to the impact of past fundamental pricing improvements, relatively stable loss cost trends, and reduced catastrophe-related insured losses.

Sovereign-and Country-Related Constraints

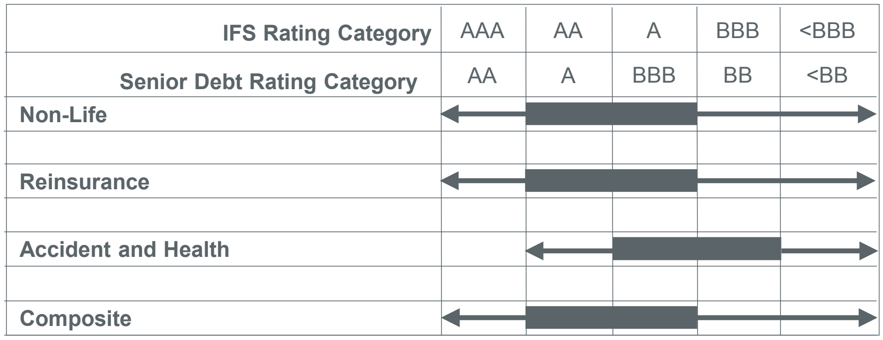
Fitch rates the local-currency sovereign obligations of the United States of America at 'AAA' with a Stable Outlook, and the Country Ceiling is similarly 'AAA'.

Fitch rates the local-currency sovereign obligations of Japan at 'A' with a Negative Outlook. The Country Ceiling is at 'AA'.

The local-currency sovereigns rating expresses the maximum limit for local currency ratings of most, but not all, issuers in a given country. In the case of Tokio Marine, Fitch believes its IFS ratings could exceed the sovereign's local currency IDR by up to one notch, based on its strong capital; liquidity; and franchise, which is well diversified globally.

Overall market profitability is anticipated to decline moderately going forward. The market underwriting cycle is now past peak, with pricing trends flat or declining in most segments. Commercial property lines retreated significantly for the last few years. Premium revenue increases are pressured by market competition and less robust economic growth. The investment contribution to earnings also will continue to decline due to lower investment yields. Uncertainty tied to catastrophe loss experience will remain a constant source of future earnings volatility as well.

Ratings Range Based on Industry Profile/Operating Environment



Peer Comparison

		1H16	2015	Five-Year Average (%)			
	IFS	Common S/H Equity ($ Mil.)	NPW/ Equity (x)	CR	Standard Deviation of CR	CAGR NPW	ROE[a]
HCC Insurance Holdings, Inc.	AA-	4,187	0.7	84.9	3.4	6.9	11.2
American Financial Group, Inc.	NR	5,000	0.8	94.5	2.7	10.8	9.8
Markel Corporation	A+	8,438	0.5	95.4	2.6	17.2	6.3
RLI Corporation	NR	914	0.8	83.3	3.7	7.7	15.4
W. R. Berkley Corporation	A+	4,903	1.3	93.8	1.9	9.3	13.2

[a]Excludes unrealized investment gains/(losses) on fixed-income securities. IFS – Insurer Financial Strength. S/H – Shareholders'. NPW – Net premiums written. CR – P/C combined ratio. NR – Not rated. Note: U.S. GAAP. All five-year periods are through 2015.
Source: SNL Financial, Fitch Ratings.

Peer Analysis

HCC Compares Favorably with Peers

Fitch views HCC's closest peers as specialty writers, such as American Financial Group, Inc.; Markel Corporation; RLI Corporation (RLI); and W. R. Berkley Corporation. Additionally, HCC faces competition from Lloyd's of London, as well as large multi-line carriers, such as American International Group, Inc. (AIG); XL Capital Ltd.; Chubb Limited; and Travelers Property Casualty Corp. In its A&H business, HCC also faces competition from UnitedHealth Group, Inc. and Symetra Financial Corp. Fitch views HCC's competitive positioning in specialty markets as strong.

As demonstrated in the table above, overall performance for the peer group was solid over the past five years, with average combined ratios well below 100% and double-digit ROEs. HCC's underwriting performance over the past five years was very strong and among top performers in this peer group behind RLI. The volatility of HCC's results remains moderate relative to peers. However, this could change due to catastrophe exposure related to its property treaty business and greater reserve volatility associated with longer tail product lines. When measured by ROE, HCC's operating performance is in line with peers. HCC's modest net written premium growth reflects exiting certain lines of business and underwriting actions taken in various business lines over the past several years.

Capitalization and Leverage

(Years Ended Dec. 31)	2011	2012	2013	2014	2015	Fitch's Expectation
Total Capital ($ Mil.)	3,535	3,850	4,263	4,560	4,854	Fitch expects HCC's capitalization to remain solid with operating and net leverage near current levels. Financial leverage is expected to remain below 20%.
Financial Leverage Ratio (%)	13.5	15.2	15.3	18.1	19.6	
Net Premiums Written/Equity (x)	0.7	0.7	0.6	0.6	0.7	
Net Leverage (x)	2.2	2.2	1.9	1.8	2.0	
P/C RBC Ratio (%)	250	251	271	268	287	
Life RBC Ratio (%)	208	198	206	246	241	

Note: RBC ratio is calculated at company action level for lead operating subsidiary and is based on statutory accounting. Financial leverage ratio excludes FAS 115. GAAP accounting principles.
Source: SNL Financial, company SEC filings.

Capital Levels Remain Solid

- Solid capitalization.
- Moderate financial leverage.
- 'Extremely strong' Prism result.

Solid Capitalization

Fitch evaluates capital on both a nonrisk-adjusted basis, such as operating and net leverage, and a risk-adjusted basis, such as RBC and Fitch's Prism capital model, to gain a more holistic view of capital. From a nonrisk-adjusted perspective, HCC's metrics are slightly favorably relative to the rating category and peer rated companies.

When viewed through the lens of risk-adjusted capital metrics, such as NAIC RBC and Prism, HCC's metrics range from in line to favorable relative to the rating category and peer rated companies.

Moderate Financial Leverage

HCC's financial leverage at first-half 2016 was approximately 20%. Fitch believes it will approximate this level over the near to intermediate term. HCC retired all existing public debt in 2015. The company's current debt structure consists of two debt facilities: a bank term loan and borrowings under a revolving credit facility. Both of these instruments bear floating-rate interest and are significantly cheaper than prior existing debt.

'Extremely Strong' Prism Result

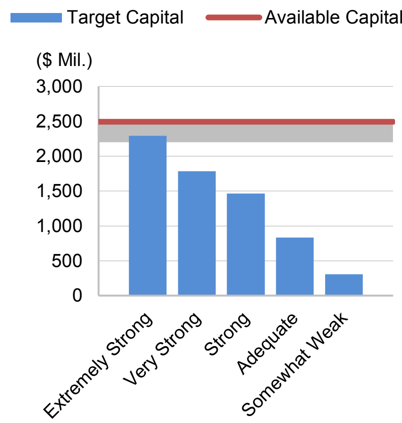
From a Prism perspective, HCC scored 'Extremely Strong' based on year-end 2015 results as seen in the figure on page 7. The Prism score is a ratio of available capital (AC) divided by target capital (TC) at various levels, with the Prism score itself being equal to the highest category where AC exceeds TC.

From a TC perspective, HCC benefits from low underwriting leverage coupled with low loss ratio volatility and modest expected loss ratio. Conversely, two main drivers of TC for HCC are reserves and catastrophe risk. Fitch notes both reserve and catastrophe risk are modest in total; however, when looking at TC drivers as a percentage of the whole, these two risks, along with underwriting, combine to represent almost three quarters of TC.

Fitch's AC measure is a range of four different AC measures that give various haircuts for unrealized gains and losses and affiliated investment values. If companies do not have significant positions in unrealized gains and losses and affiliated investments, the band of ACs is relatively narrow. Fitch's AC measure used to calculate the Prism score gives 100% credit for unrealized gains and losses and gives a modest haircut for investments in affiliates. However, Fitch believes there can be value in looking at the range of ACs, as certain macroeconomic or industry trends may be better captured in an AC measure other than the base.

Fitch consolidates underwriting reserve and asset exposures from HCC Life Insurance Co., which primarily writes A&H business, and the international business when analyzing capital via Prism. While Fitch recognizes the benefit that unrealized gains have on current financial positions, Fitch cautions that all gains from a lower interest rate environment will reverse if the bonds are held to maturity, giving only a temporary raise in capital. Further, if interest rates increase, there will be a reversal in the unrealized gain positions.

2015 Prism Score — HCC Insurance Holdings Group



($ Bil.)	2013	2014	2015
Prism Score	Extremely Strong	Extremely Strong	Extremely Strong
AC/TC at Prism Score (%)	124	105	109
AC/TC at Higher Prism Score (%)	N.A.	N.A.	N.A.
Statutory Surplus	2.1	2.1	2.2
Affiliated Investments	—	—	—
Unrealized Bond Gains/(Losses)	0.1	0.2	0.1
Other Adjustments	0.3	0.1	0.2
Available Capital (AC Base)	2.5	2.3	2.5
Target Capital Contributors (%)			
Underwriting	20	22	33
Reserves	36	25	23
Investments	8	14	12
Catastrophe	17	18	14
Other	18	21	19

AC – Available capital. TC –Target capital. N.A. – Not Applicable. Note: Red line is available capital base; shaded area represents the high and low of AC due primarily to value of unrealized bond gains/(losses).
Source: Fitch Ratings, SNL Financial.

Debt Service Capabilities and Financial Flexibility

($ Mil., Years Ending Dec. 31)	2012	2013	2014	2015	1H16	Fitch's Expectation
Interest Expense	26	26	28	85[a]	5	Due to the low interest rates on borrowings, Fitch anticipates that coverage ratios will be high over the near term.
GAAP Fixed-Charge Coverage (x)	21.5	21.2	22.2	5.7[a]	47.8	
Statutory Fixed-Charge Coverage (x)	9.8	11.3	12.5	2.8[a]	25.5	

[a]These ratios were influenced by early retirement of debt and amortization of bond discount. Adjusted figures are: $32 million for interest expense, GAAP fixed-charge coverage of 13.9x, and statutory fixed-charge coverage of 7.5x. Note: GAAP.
Source: SNL Financial, SEC filings.

Strong Debt-Servicing Capabilities

- Favorable earnings-based interest coverage.
- Low interest rates.
- Sufficient statutory dividend capacity.

Favorable Earnings-Based Interest Coverage

HCC has demonstrated strong debt-servicing capabilities historically with a strong fixed-charge coverage ratio. Year-end 2015 had an elevated interest expense due to early retirement of debt and acceleration of a bond discount. Adjusting for these one-time charges shows a fixed-charge coverage ratio in line with prior results.

Due to the company's strong profitability, moderate financial leverage and low interest expense, fixed-charge coverage will remain high over the near to intermediate term.

Low Interest Rates

HCC's interest coverage is also aided by the low interest rates on the debt that are variable and unhedged, but both are currently under 200 bps. To the extent there are sharp increases in interest rates, Fitch believes HCC would hedge some of the interest rate risk, but notes that even a modest increase in LIBOR would still produce very low rates.

HCC Debt Outstanding

($ Mil., As of June 30, 2016)	
Bank Term Loan	475
Revolving Credit Facility	475

Source: SEC filing.

Sufficient Statutory Dividend Capacity

During 2016, HCC's U.S. insurance subsidiaries are permitted to pay $344 million in dividends to the parent without prior regulatory approval from insurance subsidiaries. Holding company cash and investments provide additional liquidity and flexibility.

Financial Performance and Earnings

($ Mil., Years Ending Dec. 31)	2012	2013	2014	2015	1H16	Fitch's Expectation
Premiums Earned	2,243	2,239	2,324	2,774	1,297	HCC is expected to maintain solid underwriting results and continue to outperform the aggregate P/C industry given its specialty focus.
Pretax Operating Income	524	531	595	401	245	
Net Income	391	407	458	302	187	
Return on Equity (%)[a]	12.4	11.8	12.5	7.7	9.2	
Combined Ratio (%)	83.6	83.4	82.1	86.1	87.9	
Operating Ratio (%)	73.7	73.6	72.6	78.5	80.1	

[a]Excludes unrealized investment gains/(losses) on fixed-income securities. Note: GAAP accounting principles. Operating income excludes investment gains/(losses).
Source: SNL Financial.

Consistently Solid Earnings

- Consistently strong operating performance.
- High premium growth due from acquisition.
- New product growth could lead to increased volatility.

Consistently Strong Operating Performance

HCC's underwriting expertise in specialty lines has led to consistently strong operating results, evidenced by year-over-year strong combined ratios with minimal deviation. The company actively monitors its products and correlations among products to diversify risk. Fitch cautions that correlations migrate over time and do so at unpredictable intervals. Also, new products do not have reliable historical data to establish credible correlations.

High Premium Growth Due to Acquisition

Premium grew approximately 19% in 2015 with the majority of the growth coming from crop insurance, which the company entered on Jan. 1, 2015, with the acquisition of Producers Ag Insurance Group, Inc. for approximately $100 million. Excluding the crop business, earned premiums grew approximately 1.5%.

Overall, crop insurance performed as anticipated in full-year 2015, adding approximately 2.5% on the consolidated combined ratio. Fitch believes that crop insurance will be a long-term value, enhancing line of business with little correlation to its existing book of business. In particular, HCC has scale and analytics, two important variables for long-term success in crop insurance.

New Product Growth Could Lead to Increased Volatility

Any time a meaningful expansion of premiums occurs in new segments, the potential for earnings volatility increases, particularly if the segments are exposed to catastrophe losses. HCC does write some property treaty business on an international basis and has recently entered the crop insurance business. Fitch notes that while it anticipates a certain amount of revenue and earnings growth from a specialty writer, given HCC's high ratings, sustained volatility to earnings would likely be a catalyst for a downgrade.

Investment and Liquidity

(Years Ending Dec. 31)	2012	2013	2014	2015	1H16	Fitch's Expectation
Total Invested Assets ($ Mil.)	7,022	6,777	7,267	6,938	7,264	Fitch expects HCC's investment portfolio to remain conservative, despite the company's attempt to offset the low interest rate environment with modest increases in higher yielding investments and dividend-paying stocks.
Invested Assets/Common Equity (x)	2.0	1.8	1.9	1.8	1.7	
Risky Assets/Equity (%)	12	18	12	8	15	
Investment Yield (%)	3.4	3.2	3.2	3.0	2.9	

Note: GAAP accounting principles.
Source: SNL Financial.

Conservative Investment Portfolio

- High credit quality fixed-income securities.
- Delphi synergy.
- No change in investment strategy.

High Credit Quality Fixed-Income Securities

HCC maintains high-quality, fixed-income securities with an 'AA–' average credit rating and a modest 3% allocation to below investment-grade bonds. The duration of its fixed-income portfolio is 4.7 years. Fitch believes that HCC's liquidity remains adequate to pay claims.

Delphi Synergy

Tokio Marine purchased Delphi Financial Group, Inc. in 2012 for approximately $2.7 billion. Delphi has unique investment management expertise, particularly in longer duration assets. Going forward, Delphi's investment management organization will manage a portion of HCC's risk asset portfolios. HCC's investment strategy of allocating up to 15% of assets into risk assets is unlikely to change from this shift in management, but the composition of these assets will differ over time.

No Change in Investment Strategy

Other than the previous mention of using Delphi to manage HCC's risky asset position, there are no changes to the companies' investment strategy under the new parent. For the most part, Tokio Marine has let HCC run autonomously, though there are several new reporting structures.

Reserve Adequacy

($ Mil., Years Ending Dec. 31)	2011	2012	2013	2014	2015	Fitch's Expectation
Loss and LAE Reserves	2,683	2,750	2,779	2,658	2,524	Fitch expects HCC's reserving philosophy to remain conservative. Calendar-year reserve development is likely to continue to trend favorably, with all development at relatively low levels compared with total reserves or capital.
PAY Reserve Development	10	(70)	(74)	(56)	(35)	
PAY Reserve Development/NPE (x)	0.5	(3.1)	(3.3)	(2.4)	(1.3)	
PAY Reserve Development/BOY Common Equity (x)	0.3	(2.1)	(2.1)	(1.6)	(0.9)	
Net Reserves/Common Equity	0.8	0.8	0.8	0.7	0.6	

PAY – Prior accident year. NPE – Net premiums earned. BOY – Beginning of year. Note: GAAP accounting principles.
Source: SNL Financial.

Conservative Reserving Practices

- Reserves develop favorably in 2015.
- Modest reserve volatility.
- Spanish surety bond reserves continue to mature.
- Closely monitoring agricultural reserves.

Reserves Develop Favorably in 2015

HCC demonstrates conservatism when estimating reserves and continues to take prompt and sufficient measures when claims diverge from initial estimates. In 2015, the company reported $35 million of net favorable reserve development. Favorably, the company also has low reserve leverage, which leads to limited capital exposure to any development.

Modest Reserve Volatility

HCC reports modest reserve volatility, as longer tail professional liability and casualty lines are offset by shorter tail accident and health and surety lines. The company's weighted average duration of all claims was approximately 2.2 years in 2015 and has approximated this level for several years.

HCC consistently reports consolidated net reserves above its auditors' actuarial point estimate, but within the actuarial range.

Spanish Surety Bond Reserves Continue to Mature

The 2002 purchase of the St. Paul Companies, Inc.'s Spanish operations, St. Paul Espana, added significant surety bond exposure to this market. Several adverse judicial rulings following adverse economic conditions in Spain led to significantly higher losses on this book of business in 2011. HCC continues to make significant progress toward settling claims. Fitch notes while there may be some adverse development related to these claims, overall reserves are likely to develop slightly favorably going forward.

Closely Monitoring Agricultural Reserves

Agricultural reserves are short tailed, but have a potential for volatility tied to weather, economic conditions and reinsurance utilization practices. New product segments tend to pose a risk for pricing reserving errors. The expertise and distribution scale in crop insurance gained by HCC from the recent acquisition will be monitored more closely over the rating horizon for underwriting performance and reserve adequacy.

Reinsurance, Risk Management and Catastrophe Risk

Catastrophe Risk Effectively Managed

- Increased catastrophe exposure.
- Adequate reinsurance utilization.
- Effective risk management practices.

Increased Catastrophe Exposure

The growth of HCC's property treaty business over the past several years has led to greater catastrophe exposure. To date, HCC's net catastrophe losses have been modest. Fitch does not view a sustained level of significantly higher underwriting volatility as consistent with HCC's current rating and could result in downward ratings pressure. Catastrophe exposure is not expected to grow significantly in 2016. The quality of HCC's reinsurers is generally adequate with a moderate amount of recoverables distributed between a number of companies.

Adequate Reinsurance Utilization

HCC continues to purchase significant reinsurance to protect against catastrophe losses. The company also uses a fair amount of proportional reinsurance to more effectively manage risk in new lines of business.

Effective Risk Management Practices

Fitch views HCC's risk management process as effective and notes the company has a history of favorable long-term underwriting performance. The company has also built an economic capital model, which allows it to better assess risks associated with capital management decisions.

Key Non-Insurance Operations/Exposure

Expected Low Frequency, Potentially High Severity Indemnity Guaranty Book

- Exposure is manageable.
- Risk remote exposure.

Exposure Is Manageable

HCC writes residual value insurance in its North America Property & Casualty segment, which insures minimum asset values, primarily international aircrafts and commercial real estate. Fitch believes the company's exposure is manageable at current levels.

Risk Remote Exposure

Fitch believes lease provisions and guaranty amounts relative to estimated values mitigate the risk of loss. However, the difficulty in estimating future values increases uncertainty. Favorably, there are minimal collateral-posting requirements related to this business.

Appendix A: Other Ratings Considerations

Below is a summary of additional ratings considerations of a "technical" nature that are also part of Fitch's ratings criteria.

Complete Ratings List for Core Subsidiaries

Houston Casualty Co.	
Avemco Insurance Co.	
U.S. Specialty Insurance Co.	
HCC Specialty Insurance Co.	
American Contractors Indemnity Co.	
United States Surety Co.	
HCC Life Insurance Co.	
Insurer Financial Strength	AA–

Group IFS Rating Approach

Fitch considers HCC's insurance subsidiaries (listed in the table to the left) as Core operations. HCC Life Insurance Co. is owned by Houston Casualty Co. and writes predominately medical stop-loss business. These entities share common management, resources and branding. Only normal regulatory barriers exist to dividend movement between entities and the parent.

Notching

For notching purposes, the regulatory environment of the U.S. is assessed by Fitch as being Effective and classified as following a Ring-Fencing approach.

Notching Summary

IFS Ratings
A baseline recovery assumption of Good applies to the IFS ratings, and standard notching was used from the IFS "anchor" rating to the implied operating company IDR.

Holding Company IDR
Standard notching was applied between the implied operating company and holding company IDRs, with no adjustments made for unusual leverage, coverage or diversification of cash flow.

IDR – Issuer Default Rating. IFS – Insurer Financial Strength.

Exceptions to Criteria/Ratings Limitations

None.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.