

SHORT TERM SOLUTION APPLIED TO “COMMON-LIKE” HYBRID SECURITIES NOTCHING GUIDANCE STATEMENT NUMBER

The list below pertains only to Hybrid Securities classified by the SVO as “common-like” as of Report Number 9F dated May 24, 2007. This “notching” guidance statement indicates how insurance companies should apply the “short term solution” adopted by the Hybrid Securities RBC Working Group and the NAIC Financial Condition (E) Committee in December 2006. For a full description of the regulatory decision please go to: http://www.naic.org/committees_e_app_blanks.htm

The instructions that follow are reprinted from the statutory reporting guidance adopted by the Hybrid Securities RBC Working Group in December 2006

- Insurance companies should report all hybrid securities as preferred stock.
- All hybrid securities issued after 8/18/2005 and those hybrids classified in 2006 by the SVO as common stock are notched down by one (1) NAIC designation.
- Those hybrid securities classified by the SVO as debt like or as preferred stock like in 2006 will **NOT** be notched.
- All future FE hybrids issued subsequent to the effective date of this proposal will be reported as preferred stock and notched down one (1) NAIC Designation, unless they are filed with the SVO and classified as debt like or preferred stock like by the SVO.
- An insurer holding a notched hybrid security issued subsequent to the effective date of this proposal may request SVO review of the security in an attempt to eliminate the notch. For hybrid securities filed with the SVO, the designation assigned by the SVO must be used by the insurer.
- As per normal practice, SVO classification will apply to all holders of the security.

Below, we have listed all of the hybrid securities classified as “common-like” by the SVO to date along with the resulting classification **AFTER** the above statutory reporting guidance is applied. Securities classified as “common-like” by the SVO should be reported as perpetual preferred under the short-term solution.

PLEASE NOTE: THE HYBRID SECURITIES DETAILED IN THIS REPORT ARE ALL 2006 FILINGS, SOME OF WHICH WERE REVIEWED BY THIS OFFICE IN 2007. FILERS WANTING “CODE 99” LETTERS FOR THEIR HYBRID SECURITIES FILED IN 2006 BUT PROCESSED IN 2007 SHOULD CONTACT THE SVO.

CUSIP	SVO Classification	Security	NAIC DESG.[1]	Short Term Solution Reporting	SP	MOODYS	FITCH
002927AA9	Common	ABBEEY NATIONAL CAP TR I	2NR*	P2Z*	A	A2	A+
03076CAC0	Common	AMERIPRISE FINANCIAL INC. – 7.518% Junior Subordinated Notes Due 2066	3NR*	P3Z*	BBB	Baa2	BBB+
04622DAA9	Common	ASSURED GUARANTY US HOLDINGS INC.- \$150 Million 6.4% Series A Enhanced Junior Sub Debentures due 2066	2NR*	P2Z*	A-	A2	Z*
05565AAA1	Common	BNP Paribas – Non-cumulative Subordinate Notes	2NR*	P2Z*	A+	A1	AA-
05567SAAA	Common	BNSF Funding	3NR*	P3Z*	BBB-	Baa3	

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06738C828	Common	BARCLAYS BANK plc – 6.278% ADR Series 1	2NR*	P2Z*		Aa3	AA
06738CAF6	Common	BARCLAYS BANK PLC – 7.375% Step-up Callable Perpetual Reserve Capital Instruments (RCIs”)	2NR*	P2Z*	A+	Aa3	AA
06738CAG4	Common	BARCLAYS BANK PLC – 6.865% Callable Perpetual Core Tier One Notes (“TONs”)	2NR*	P2Z*	A+	Aa3	AA
06739FEY3	Common	Barclays Bank PLC 5.926% Step-up Callable Perpetual Reserve Capital Instruments	2NR*	P2Z*	A+	Aa3	AA
26156FAA1	Common	DRESDNER FUNDING TRUST I –8.151% Non-Cumulative Dated Silent Partnership Certificates	2NR*	P2Z*	A-	A3	A-
379308AB5	Common	GLITNER BANKI HF 7.451% Non-Dated Non Cumulative Capital Notes	2NR*	P2Z*	BBB	Aa2	A-
40429Q200	Common	HSBC CAP FUNDING (DOLLAR 2) L.P.	2NR*	P2Z*	A	A1	AA-
G4638B100	Common	HSBC CAP FUNDING, JERSEY, €600MM, 8.03%, non-cumulative, Perpetual Preferred	2NR*	P2Z*	A	A1	AA-
42205MAB2	Common	HBOS plc – US \$ Fixed to Floating Non-Cumulative Perpetual Preference Shares	2NR*	P2Z*	A	A1	AA-
44965UAA2	Common	ILFC E-CAPITAL TRUST II \$400mm Enhanced Capital Advantaged Preferred Securities (ECAPS)	2NR*	P2Z*	A	A3	A
45104GAB0	Common	ICICI Bank, Ltd. Perpetual Non-Cumulative Subordinated Debt Security	4NR*	P4Z*	Baa2	BB	BB

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CUSIP	SVO Classification	Security	NAIC DESG.11	Short Term Solution Reporting	SP	MOODYS	FITCH
481227AA4	Common	JP MORGAN CHASE CAPITAL TRUST XVIII - \$750 Million 6.95% Capital Securities Series R	2NR*	P2Z*	A-	A2	
48123CAA2	Common	JP MORGAN CHASE CAP TRUST XX - CAPITAL SECURITIES SERIES T	2NR*	P2Z*	A-	A2	A+
52520YAA5	Common	Lehman ECAP	2NR*	P2Z*	A-	A3	A
539439AA7	Common	LLOYDS TSB GROUP plc	2NR*	P2Z*	A	Aa3	
59156R702	Common	METLIFE INC - 6.75% Equity Security Units	3NR*	P3Z*	BBB+		
606859AA4	Common	Mizuho Capital Investment (USD) 1 Limited – US\$ Non-cumulative Perpetual Preferred Securities	3NR*	P3Z*	BBB	Baa2	A-
635192AA5	Common	NATIONAL CAP TRUST II – Trust Preferred Securities	2NR*	P2Z*	A+	A2	
65557AAB3	Common	Nordea Bank Sweden AB – 5.424% Capital Contribution Securities	2NR*	P2Z*	A	Aa3	A+
749274AA4	Common	RBS Capital Trust I – 4.709% Non-Cumulative Trust Preferred Securities	2NR*	P2Z*	A	A1	AA
74927PAA7	Common	RBS Capital Trust II – 6.425% Non-Cumulative Trust Preferred Securities	2NR*	P2Z*	A	A1	AA
74927QAA5	Common	RBS Capital Trust III	2NR*	P2Z*	A	A1	AA
759351AE9	Common	REINSURANCE GROUP OF AMERICA INC.- \$400 Million 6.5% Junior Subordinated Notes due 2065	3NR*	P3Z*	BBB-	Baa2	
78442P502	Common	SLM CORPORATION – Floating Rated Non-Cumulative Preferred Stk Series B	3NR*	P3Z*	BBB+	Baa1	A
82463MAA7	Common	SHINSEI FINANCE (CAYMAN) LTD. – Step-up Non-cumulative Perpetual Preferred Securities	3NR*	P3Z*	BBB-	Baa2	

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82463R207	Common	SHINSEI FINANCE - II (CAYMAN) LTD. – Non-cumulative Perpetual Preferred Securities	3NR*	P3Z*	BBB-	Baa2	
830505AL7	Common	SKANDINAVISKA ENSKILDA BANKEN AB –4.958% CAPITAL CONTRIBUTION SECURITIES	2NR*	P2Z*	A-	Aa3	A
830505AM5	Common	SKANDINAVISKA ENSKILDA BANKEN AB –5.471% CAPITAL CONTRIBUTION SECURITIES	2NR*	P2Z*	A-	Aa3	
84650RAA5	Common	SPARBANK 1 MIDT-NORGE – Fixed/Floating Non-Cumulative Perpetual Step-Up Capital Contribution Securities A	2NR*	P2Z*		A1	
854624AA1	Common	Stanley Works Caps Trust I	3NR*	P3Z*	BBB	Baa1	
86800YAA4	Common	SunTrust Capital VII 6.10% Trust Preferred Security	2NR*	P2Z*	A-	A1	A
86959CAA1	Common	SVENSKA HANDELSBANK – 7.125% Perpetual Step-up Subordinated Notes	2NR*	P2Z*	A	Aa2	
870191AC7	Common	SWEDBANK 7.5% Perpetual Step-up Sub. Notes	2NR*	P2Z*		Aa2	
87019XAA1	Common	SWEDBANK 9% Perpetual Step-up Sub. Notes	2NR*	P2Z*	A-	Aa3	
91530B202	Common	UOB CAYMAN I LIMITED – Non Cum Non-Convertible SPV – A Preference Shares	2NR*	P2Z*	A-	(P)A2	
91731KAA8	Common	USB CAPITAL IX – 6.1895 Fix to Floating Perpetual Normal Income Trust Securities	2NR*	P2Z*	A+	A1	A+
92978AAA0	Common	Wachovia Cap Trust III (WITS)	2NR*	P2Z*	A	A2	A+
96122BAA4	Common	WESTPAC CAP TRUST III	2NR*	P2Z*		A2	
98876XAA0	Common	ZFS Finance Trust I	3NR*	P3Z*	BBB	Baa2	BBB

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98876YAA8	Common	ZFS Finance Trust II	3NR*	P3Z*	BBB	Baa2	BBB
G07980AH1	Common	BARCLAYS BANK PLC – Undated Floating Rate Primary Capital Notes Series 2	2NR*	P2Z*	A+	Aa2	
G6323#AA4	Common	MUFG CAPITAL FINANCE 1 LIMITED – Fixed/Floating Rate Non-Cumulative Preferred Securities	3NR*	P3Z*	BBB	Baa2	
G98255121	Common	XL CAPITAL LIMITED -	2NR*	P2Z*	A-	A3	
U1820RAA1	Common	CL CAPITAL TRUST I	2NR*	P2Z*	A		
U62930AA7	Common	NATIONAL CAPITAL TRUST I	2NR*	P2Z*	A	A2	
W8180CBB8	Common	SKANDINAVISKA ENSKILDA BANKEN AB 9.04% Capital Contribution Securities	2NR*	P2Z*	A-	WR	

Note:

(1) _NR* Indicates that the security so designated belongs to a class of securities currently under policy review by the NAIC.