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Press Release

Milliman Advocates Reasonable Valuation and Capital Standards

Seattle, WA – November 25, 2008 – Milliman, Inc., a leading provider of actuarial consulting services to the life insurance industry, today announced its support of efforts by the National Association of Insurance Commissioners (NAIC) and the American Council of Life Insurers (ACLI) to develop reserve and asset valuations as well as capital standards that more fairly and accurately reflect the underlying economics of the life insurance business.

“As the current state of the economy illustrates, there are times when the nation’s insurers require access to the capital markets. Overly conservative and prescriptive standards for statutory based reserves, asset valuations, and capital requirements serve only to drive additional capital away from the affected industries, seriously impairing insurers’ ability to operate effectively in the best interests of their policyholders,” said Bradley M. Smith, Chairman of Milliman.

“If the current standards are not changed to realistically represent the underlying, sustaining strengths of the business, then counterproductive regulatory hurdles may ensue, which will hurt the policyholders of affected companies as well as shareholders and employees,” added Bruce Winterhof, Practice Director of Life Insurance Consulting for Milliman. “Any changes must acknowledge and present a clear picture of industry fundamentals. Among those fundamentals are the measures insurance companies may have implemented to mitigate their market risks, including the hedging of product guarantees,” Winterhof asserted.

While acknowledging that Milliman rarely takes a public position on issues facing the insurance industry, Brad Smith stated, “The current extraordinary economic environment and the potential negative ramifications to all stakeholders, including the nation as a whole, compels us to offer our support for much needed, fundamental changes.”

About Milliman

Milliman is among the world’s largest independent actuarial and consulting firms. Founded in Seattle in 1947 as Milliman & Robertson, the company currently has 49 offices in key locations worldwide. Milliman employs over two thousand people, with a professional staff of more than a thousand qualified consultants and actuaries, including specialists ranging from clinicians to economists. The firm has consulting practices in healthcare, employee benefits, property & casualty insurance, life insurance and financial services. Milliman serves the full spectrum of business, financial, government, union, education and nonprofit organizations. For further information, visit www.milliman.com