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**INSURERS JOIN OTHER BUSINESSES IN NEW COALITION TO DEVELOP
NEW GLOBAL ACCOUNTING STANDARDS TO ADDRESS FINANCIAL CRISIS**

NEW YORK, June 22 -- The Group of North American Insurance Enterprises (GNAIE) has joined a new coalition of trade associations, representing all sectors of the economy and areas of the financial services arena, that will engage the Financial Accounting Standards Board (“FASB”) and the International Accounting Standards Board (“IASB”) on a series of projects to reform accounting standards associated with the financial crisis.

“The drive to revise accounting standards for financial instruments is gaining fresh momentum both in the United States and internationally” said GNAIE executive chairman Jerry de St. Paer. “These developments make it essential for the insurance industry and other affected businesses to provide input, assistance and perspective to U.S. and international standard setters that will enable them to develop high quality, robust standards. Our new coalition will help attain those goals”

Last week, the Obama Administration announced regulatory reform measures including reviews of accounting rules and an acceleration of accounting reforms related to the financial crisis.

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To influence the development of international accounting and solvency standards to ensure that they result in robust, high quality standards for insurance enterprises.

In April, The Financial Crisis Advisory Group (“FCAG”), a joint committee of FASB and IASB, wrote G-20 leaders informing them of efforts to overhaul accounting rules. These projects include efforts to replace, update or converge the current accounting standards for financial instruments, consolidation, and derecognition, some of which are expected to be completed by the end of 2009.

De St. Paer said members of the new coalition, the Financial Instruments Reporting and Convergence Alliance (FIRCA), were committed to a set of principles:

- To support the adoption of joint IASB-FASB international high quality robust accounting standards. These standards should be decision-useful, reliable, and relevant. Additionally, these standards should present financial information in a manner that is reflective of the business operations of an entity. Appropriately crafted standards should transparently provide information and not drive economic activity.
- To assist standard setters in providing a wide range of input to ensure the proper consideration of business operations and potential unintended consequences in the development and implementation of accounting standards.
- Recognizing that the financial crisis is global in scope and magnitude, to work with standard setters and decision makers to insure that these projects are conducted jointly to ensure a comprehensive response to financial reporting policies.

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In addition to GNAIE, founding members of FIRCA are: American Council of Life Insurers, Commercial Mortgage Securities Association, Council of Federal Home Loan Banks, Mortgage Bankers Association, Property Casualty Insurance Association of America, The Financial Services Roundtable, The Real Estate Roundtable and The U.S. Chamber of Commerce.

The goal of GNAIE is to influence international accounting standards to ensure that they result in high quality accounting and solvency standards for insurance companies and, to that end, to increase communications between insurers doing business in North America and international regulators and standard setters. GNAIE works to meet its goals through modeling of proposed accounting standards, analysis, comment and coordination with various end users of financial reports.

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