

## KEY FACTS

June 30, 2010

### Company Overview

Founded in 1912, Conning is headquartered in Hartford and has a global presence, with additional offices in New York, London and Dublin. Worldwide, Conning serves more than 300 clients.

Our unique combination of asset management, strategic advisory and insurance research allows us to implement customized business and investment strategies that help our clients achieve their financial goals.

For more than 25 years, we have built our asset management business to meet the investment and financial needs of insurers. Our professionals have worked in the insurance industry for most of their careers and are experienced with insurance issues. We thoroughly understand the interaction between risk tolerances, investment objectives and investment limitations. Our philosophy recognizes that our clients' portfolios have a purpose beyond the immediate challenge of producing investment returns; they exist to support insurance businesses.



### Contact Us

**Jack Corroon**  
 Head of Global Business Development  
 jack\_corroon@conning.com  
 860-299-2332

**Robert Miller**, Life/Annuity  
 robert\_miller@conning.com  
 860-299-2369

**Christie Bull**, Property/Casualty  
 christie\_bull@conning.com  
 860-299-2255

**Stephen Keep**, Bermuda/Health  
 stephen\_keep@conning.com  
 860-299-2266

**Gerry M. Lee**, Financial Institutions  
 gerry\_lee@conning.com  
 +44 20 7337 1932

**Gerard-Jan van Berckel**, Continental European Sales  
 gerardjan\_vanberckel@conning.com  
 +44 20 7337 1937

**Michael Warner**, Insurance Research  
 mwarner@conningresearch.com  
 860-299-2408

### Asset & Account Information at 06-30-10

Assets by Client Type (\$mns)	Assets	# of Clients*
Property-Casualty	49,044	94
Life	24,133	20
Healthcare	3,203	10
Pension	161	4
Other	604	6
<b>Total AUM</b>	<b>77,145</b>	<b>134 *</b>

Assets by Region (\$mns)	
United States	69,735
United Kingdom	3,861
Bermuda	2,481
Continental Europe	790
Canada	113
Other	165
<b>Total AUM</b>	<b>77,145</b>

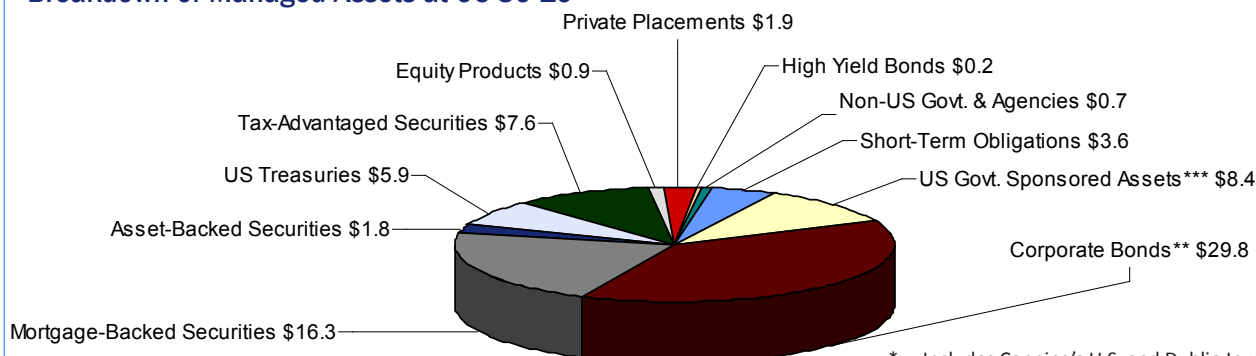
Client Mandate (\$mns)	Assets	# of Clients
0-100 mn	1,906	32
100-500 mn	12,457	51
500 mn - 1 bn	14,705	19
1 bn +	48,077	16
<b>Total AUM</b>	<b>77,145</b>	<b>118</b>

Investment Team	No.	Avg. Yrs Exp
Portfolio Managers	26	20
Analysts	24	15
Traders	5	21

Non U.S. Dollar AUM (\$mns)	
Brit Pound Sterling	649
Euro	718
Canadian Dollar	830
Australian Dollar	53
Other	13
<b>Total</b>	<b>2,263</b>

\*A number of our clients rely on Conning to manage multiple lines of their business. For this reason, any client that does not definitively fall solely under the strict definition of Property-Casualty, Life, or Health-care "Insurance Client Type" has been listed in more than one category.

### Breakdown of Managed Assets at 06-30-10\*



\* Includes Conning's U.S. and Dublin Investment Centers

\*\* Includes Convertible Securities

\*\*\* Includes Agencies, Taxable Municipals and Government related assets

## Asset Management

For more information, contact: Jack Corroon: 860-299-2332 or jack\_corroon@conning.com

### Philosophy

Conning recognizes that our clients' portfolios exist to support insurance businesses. They provide cash flow for claims and benefits, and income for contract guarantees. They stand behind the company's surplus and financial strength.

With this in mind, we work closely with our clients to create an appropriate investment structure. Our goal is to design a portfolio that optimizes the client's goals for total return, income and cash flow, while staying within the established risk exposure constraints. We seek to increase yields within the context of what is prudent given the client's liabilities, capital structure, and appetite for risk.

### Integrated ALM Approach

We begin by developing a thorough understanding of each client's overall business; their liabilities, operating parameters, limitations, and investment objectives. We employ sophisticated financial modeling tools and techniques to develop a strategic asset allocation that is unique for each client. This serves as the long term investment blueprint for our clients' asset portfolio.

Next, we develop a custom, insurance-specific benchmark to reflect the strategic asset allocation within the capital markets. This is accomplished by selecting appropriate subcomponents of a broad market index and re-weighting them to better match the desired benchmark characteristics. This ensures that the benchmark is consistent with the critical elements of each client's strategic asset allocation, including but not limited to, the duration and maturity structure of the fixed income portfolio, required spread targets, allocation to equity investments, and the company's liquidity requirements.

Only when the client's strategic asset allocation and investment benchmark are in place do we employ a disciplined investment process to make tactical allocations within the capital markets.

## Strategic Advisory

For more information, contact: Jack Corroon: 860-299-2332 or jack\_corroon@conning.com

### Investment Advisory

- Strategic Asset Allocation
- Asset Liability Management
- Customized Investment Benchmarks
- Investment Policy & Guidelines

### Enterprise Risk Management

- ERM Framework
- Risk Identification
- Financial Impact Assessment
- Capital Management
- Business Planning

### Proprietary Modeling Tools

- FIRM® System: Stochastic Modeling
- AFFIRM™: "What if" Stress Testing
- Peer Analysis

## Insurance Research

For more information, contact: Mike Warner: 860-299-2408 or mwarner@conningresearch.com

### Information Products

Insurance Segment Series: Semi-annual business landscape and performance reports for 30 separate lines of business or industry segments. Each report analyzes the most current information on:

- Product Details
- Buyers
- Major Insurers
- Results & Projections
- Merger & Acquisitions
- Distribution
- Regulation
- Other Sector Data
- Key Market Drivers
- Key Performance Ratios
- Sector Financial

Strategic Study Series: Each executive report analyzes a key change issue affecting the industry, providing an in-depth examination from multiple stakeholder vantage points. Analyses of key lines of business and significant market opportunities or trends make this series indispensable reading for insurance industry executives.

Forecast & Analysis: The Forecast & Analysis by Line of Business is published for the Property-Casualty, Life-Annuity and Health industries. Conning's models project key performance metrics and income statement and balance sheet accounts. Widely used by finance and planning executives, the Forecasts include analysis of key drivers as well as historical and projected results.

### Proprietary Research (examples)

- State level line-of-business reporting and premium forecasts
- Business expansion planning
- Detailed industry line-of-business and regional landscape reviews
- Competitive intelligence scans
- Executive level insurance industry surveys and reporting
- Executive and board level presentations on industry trends and forecast
- Other primary and secondary research services