

Designation Assignment to Mortgage-Referenced Securities

Reported under Statement of Statutory Accounting Principles No. 26 ±

Bonds, Excluding Loan-Backed and Structured Securities (SSAP No. 26)

The designation of Mortgage-Referenced Securities depends on the Final Intrinsic Price and the midpoint between two adjoining AVR RBC (pretax) charges. For the purpose of the designation assignment to Mortgage-Referenced Securities