STANDARD & POOR'S

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ASR Nederland's Proposed Euro Perpetual Subordinated Notes Rated 'BBB+'; Guaranteed By ASR Levensverzekering N.V.

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PARIS (Standard & Poor's) July 17, 2009--Standard & Poor's Ratings Services said today that it had assigned its 'BBB+' long-term debt rating to the proposed perpetual, junior subordinated, unsecured, callable notes issued by Netherlands-based ASR Nederland N.V. (ASR; not rated) and guaranteed by ASR Levensverzekering N.V. (A/Negative/--). The notes are referred to as the "New Capital Securities."

At the same time, we assigned our 'BBB' long-term debt rating to the proposed perpetual, junior subordinated, unsecured, noncallable notes referred to as "Comparable Securities", also issued by ASR and guaranteed by ASR Levensverzekering. ASR plans to offer the Comparable Securities to holders that elect not to exchange the existing unrated trust preferred securities issued by Fortis Capital Funding Trusts (not rated) for the New Capital Securities.

The ratings are subject to confirmation of the final amount, terms, and conditions of the two issues.

Standard & Poor's expects to classify the New Capital Securities and Comparable Securities as "intermediate equity content" under its classification of hybrid equity instruments. We include these securities, up to a maximum of 25%, in calculating total adjusted capital (TAC), the basis for our consolidated risk-based capital analysis of insurance companies. The New Capital Securities and the Comparable Securities include mandatory deferral clauses triggered by a solvency event when the regulatory solvency ratio falls below 100% and 200% of the required Dutch regulatory minimum for ASR Levensverzekering N.V., respectively.

The two-notch rating differential on the New Capital Securities compared with the insurer financial strength rating on ASR Levensversekering is due to the subordinated guarantee that the latter is expected to provide to the issuer, ASR. The notching is in line with our standard practice for the rating of subordinated deferrable hybrid notes.

The three-notch rating differential on the Comparable Securities, compared with the insurer financial strength rating on ASR Levensversekering, reflects the higher regulatory solvency margin for the mandatory deferability clause to be triggered.

We have analyzed and rated the proposed New Capital Securities with the understanding that, if and when issued, the notes will be perpetual, deeply subordinated, and deferrable at any time at the issuer's discretion, in addition to the mandatory deferability clause. Mandatory deferral can only occur in the event that the issuer's solvency margin falls below 100% of the Dutch regulatory minimum, a level where we would expect management to have already exercised its discretion for optional deferral. The notes will be callable on the 10th anniversary and at every coupon payment date thereafter. The coupon will remain fixed until the first call date anniversary; after that, the securities will carry a rate based on the three-month EURIBOR (Euro Interbank Offered Rate) plus the initial spread plus a step-up equal to 50% of the issue's initial credit spread.

We have analyzed and rated the proposed Comparable Securities on the understanding that, if and when issued, the notes will be perpetual, deeply subordinated, and mandatorily deferrable. Mandatory deferral can only occur in the event that the issuer's solvency margin falls below 200% of the Dutch regulatory minimum. The terms and conditions in all material regards replicate those of the existing, nonrated trust preferred securities issued by Fortis Capital Funding Trusts. Analytically, we will treat these as a continuation of the instrument they replace.

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