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## **FOR IMMEDIATE RELEASE**

### **Reinsurance Leader, Munich American, Establishes Financial Solutions Unit**

**Atlanta, September 23, 2008** — Munich American Reassurance Company, one of the leading life reinsurance companies in the United States, announced the appointment of Scott Boug as Senior Vice President – Financial Solutions. Mr. Boug's appointment signals Munich American's commitment to bring creative solutions to capital management issues in the US life insurance market.



Existing options for managing the capital requirements of redundant reserves (reserves that insurance companies are obliged to hold that exceed the actual reserves needed to support expected claims) have consisted of shifting the obligation through using reinsurance arrangements, letters of credit or securitizations. The current volatility in the equity and credit markets severely limits insurance companies' ability to use these traditional methods of controlling capital. In this new environment, these companies will be looking for new ways to balance their capital obligations. Munich American will try to help them in ways that are prudent, creative and that keep within both the spirit and the letter of regulatory requirements. "Scott possesses a unique collection of experiences in investment products, tax planning and capital management," said Mike DeKoning, President & CEO, "He is creative, with a strong foundation in risk management and reinsurance. Scott will use these skills to develop effective solutions to the capital management issues experienced by our clients."

Mr. Boug joins Munich American with 20 years of experience in capital management, enterprise risk management and asset/liability matching for a variety of insurance organizations. He was most recently the Managing Director, Capital & Liquidity Management for Transamerica Reinsurance, a division of the multi-national financial services company, AEGON. Mr. Boug is a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries.

With the establishment of the dedicated Financial Solutions unit, Munich American moves beyond its focus on traditional mortality and morbidity risk sharing, with capital relief only as a byproduct, to working proactively with its clients to solve capital management challenges. According to Lloyd Steinke, Executive Vice President, “The Financial Solutions unit is an integral part of Munich American’s plans for success in the US market. This is an opportunity for us to build on the Munich Re brand and employ Munich American’s financial strength and stability to bring meaningful solutions to our clients’ problems in today’s changing business environment.”

### **About Munich American**

Munich American Reassurance Company, founded in 1959, is one of the largest reinsurers in the U.S. offering life, disability and long term care reinsurance to insurance companies throughout the United States. The company also writes group, credit and other reinsurance products. Headquartered in Atlanta, with an office in Chicago, Munich American is licensed, accredited or authorized in all fifty states; Washington, D.C.; Guam; and Puerto Rico. The company is a member of the Munich Re Group which operates in all lines of business, with around 37,000 employees at over 50 locations throughout the world. With premium income of around €22bn from reinsurance alone, it is one of the world's leading reinsurers.

-30-

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