

General nature of Compensation Disclosure

Local business operations of A.M. Best Company, Inc. ("AM Best") are conducted through A.M. Best Asia-Pacific Limited ("AMBAP"). A.M. Best receives credit rating services fees from the organizations/issuers that it rates, and in certain instances, receives such fees from organizations/issuers that do not result in the issuance of a publicly disclosed service or AM Best credit rating. Certain subsidiaries of AM Best, excluding AMBAP, may also receive compensation from rated entities for non-rating related services or products offered by AM Best.

AM Best acknowledges that the issuer-pays business model, which is common to the major credit rating agencies, gives rise to the perception of a conflict of interest. To alleviate such concerns, AM Best has instituted strict policies and procedures related to its credit rating activities that focus on preserving the integrity, independence and objectivity of the credit rating process. These policies and procedures are outlined in AM Best's Code of Conduct and related policies and procedures and are published on our web site at <http://www.ambest.com/nrsro/code.pdf>

Credit Rating Services Fees

All ratings issued by AMBAP are issued on a "solicited basis". Fee proposals are generated by Market Development staff in accordance with a documented pricing policy. In accordance with the Code of Conduct for Persons Providing Credit Rating Services published by the Hong Kong Securities and Futures Commission, details of any issuer, originator, arranger, client or subscriber where total remuneration exceeds 5% of AMBAP's total annual revenue are disclosed in AMBAP's Annual Public Disclosure Report.

Non-Rating Products and Services Fees

Certain subsidiaries of AM Best, excluding AMBAP, charge subscription fees for non-rating products and services including news services, publications and data products. Pricing for these products and services is available on AM Best's web site, or by contacting AM Best's product sales team at sales@ambest.com. AM Best receives compensation for non-rating products and services purchased by entities that it rates. AMBAP does not receive any non-rating products and services fees from its rated entities and/or its affiliates.