

A.M. BEST COMPANY, OLDWICK, NJ • A.M. BEST EUROPE, LONDON

A.M. BEST ASIA-PACIFIC, HONG KONG

<http://www.ambest.com>

FOR IMMEDIATE RELEASE

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CONTACTS: Public Relations

Jim Peavy
(908) 439-2200, ext. 5644
james.peavy@ambest.com

Rachelle Striegel
(908) 439-2200, ext. 5378
james.peavy@ambest.com

Analysts

Joyce Sharaf
(908) 439-2200, ext. 5046
joyce.sharaf@ambest.com

Karen Horvath
(908) 439-2200, ext. 5371
karen.horvath@ambest.com

**A.M. Best Upgrades Financial Strength Ratings of ACE's Ongoing U.S.
Subsidiaries and Debt Ratings of ACE Limited**

Ratings Supplement

The FSRs of A+ (Superior) have been affirmed and the ICRs of "aa-" have been assigned with a stable outlook to the following ACE Group subsidiaries:

- **ACE Bermuda Insurance Ltd.**
- **ACE Tempest Reinsurance Ltd.**
- **ACE Tempest Life Reinsurance Ltd.**
- **ACE European Markets Insurance Limited**
- **ACE European Markets Reinsurance Limited**

The FSRs of A (Excellent) have been upgraded to A+ (Superior) and ICRs of "aa-" have been assigned with a stable outlook to ACE American Pool and its following subsidiaries:

- **ACE American Insurance Company**
- **ACE Property & Casualty Insurance Company**
- **Pacific Employers Insurance Company**
- **Insurance Company of North America**
- **Bankers Standard Insurance Company**
- **Indemnity Insurance Company of North America**
- **Bankers Standard Fire and Marine Company**
- **ACE Employers Insurance Company**
- **ACE Fire Underwriters Insurance Company**
- **ACE Indemnity Insurance Company**
- **ACE American Lloyds Insurance Company**
- **ACE Insurance Company of the Midwest**
- **ACE Insurance Company (Puerto Rico)**
- **ACE Insurance Company of Illinois**
- **ACE Insurance Company of Ohio**
- **ACE Insurance Company of Texas**
- **Allied Insurance Company**

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- **Atlantic Employers Insurance Company**
- **INA Surplus Insurance Company**
- **Illinois Union Insurance Company**

The FSRs of A (Excellent) have been upgraded to A+ (Superior) and ICRs of “aa-” have been assigned with a stable outlook to ACE Westchester Specialty Group and its following subsidiaries:

- **Westchester Fire Insurance Company**
- **Industrial Underwriters Insurance Company**
- **Westchester Surplus Lines Insurance Company**

The FSRs of B- (Fair) and the ICRs of “bb-” remain under review with negative implications for Brandywine Group and its following subsidiaries:

- **ACE American Reinsurance Company**
- **Century Indemnity Company**
- **Century Reinsurance Company**

The FSRs of A (Excellent) have been affirmed and the ICRs of ‘a’ and ‘a+’, respectively, have been assigned with a stable outlook to **ACE INA Insurance (Canada)** and **ACE European Group Limited**.

The following debt ratings have been upgraded with a stable outlook:

ACE INA Holdings, Inc. (guaranteed by ACE Limited)—

- to “a-” from “bbb+” on \$300 million of 8.3% senior unsecured notes, due 2006
- to “a-” from “bbb+” on \$100 million of 8.875% debentures, due 2029
- to “a-” from “bbb+” on \$500 million of 5.875% notes, due 2014

ACE Limited—

- to “a-” from “bbb+” on \$500 million of 6.0% senior unsecured notes, due 2007
- to “bbb” from “bbb-” on \$575 million of 7.8% preferred shares

ACE Capital Trust I (guaranteed by ACE Limited)—

- to “bbb” from “bbb-” on \$100 million of 8.875% trust preferred securities, due 2029

ACE Capital Trust II (guaranteed by ACE Limited)—

- to “bbb” from “bbb-” on \$300 million of 9.7% capital securities, due 2030

ACE Limited and ACE INA Holdings, Inc.—

Shelf Registration:

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- to “a-” from “bbb+” on senior unsecured debt
- to “bbb+” from “bbb” on subordinated debt

ACE Limited—

Shelf Registration:

- to “bbb” from “bbb-” on preferred shares

Capital Trust III & IV—

- to “bbb” from “bbb-” on trust preferred securities

The following debt ratings have been affirmed with a stable outlook:

ACE Limited and ACE INA Holdings, Inc. (guaranteed by ACE Limited)—

- AMB-2 on commercial paper

A.M. Best Co., established in 1899, is the world’s oldest and most authoritative insurance rating and information source. For more information, visit A.M. Best’s Web site at www.ambest.com.

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