



The Insurance Information Source

# NEWS RELEASE

A.M. BEST COMPANY, OLDWICK, NJ  
A.M. BEST INTERNATIONAL, LONDON  
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A.M. BEST CANADA, TORONTO  
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<http://www.ambest.com>

**FOR IMMEDIATE RELEASE**

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**A.M. Best Affirms Financial Strength Rating of St. Paul; Downgrades Debt Ratings**

**Ratings Supplement**

The financial strength rating of A (Excellent) has been affirmed for the following property/casualty subsidiaries of St. Paul Companies, Inc.:

- **St. Paul Fire & Marine Insurance Company**
- **St. Paul Surplus Lines Insurance Company**
- **Athena Assurance Company**
- **Seaboard Surety Company**
- **St. Paul Medical Liability Insurance Company**
- **St. Paul Protective Insurance Company**
- **Discover Property and Casualty Insurance Company**
- **Discover Specialty Insurance Company**
- **St. Paul International Insurance Company Ltd.**
- **St. Paul Reinsurance Company Ltd.**
- **United States Fidelity and Guaranty Company**
- **Fidelity and Guaranty Insurance Company**
- **Fidelity and Guaranty Insurance Underwriters, Inc.**
- **GeoVera Insurance Company**
- **Pacific Select Property Insurance Company**
- **St. Paul Fire and Casualty Insurance Company**
- **St. Paul Guardian Insurance Company**
- **St. Paul Insurance Company of North Dakota**
- **St. Paul Mercury Insurance Company**
- **USF&G Insurance Company of Mississippi**
- **USF&G Specialty Insurance Company**

The financial strength ratings of all other property/casualty subsidiaries of St. Paul Companies, Inc. are unaffected.

—MORE—



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The following debt ratings have been downgraded:

**St. Paul Companies, Inc.—**

- to “bbb+” from “a-” on \$442.8 million of 5.25% senior unsecured notes (equity units), due 2007
- to “bbb+” from “a-” on \$500 million of 5.75% senior notes, due 2007
- to “bbb+” from “a-” on the medium-term note program
- to “bbb+” from “a-” on \$250 million of 7.875% senior notes, due 2005
- to “bbb+” from “a-” on \$250 million of 8.125% senior notes, due 2010
- to “bbb+” from “a-” on \$80 million of 7.125% senior notes, due 2005
- to “bbb” from “bbb+” on \$245 million of zero coupon convertible subordinated notes, due 2009
- to AMB-2 from AMB-1 on Commercial Paper Program

**MMI Capital Trust I—(guaranteed by St. Paul Companies, Inc.)**

- to “bbb-” from “bbb+” on \$125 million 7.625% preferred capital securities, due 2027

**USF&G Capital I—(guaranteed by St. Paul Companies, Inc.)**

- to “bbb-” from “bbb+” on \$100 million 8.5% Series A capital securities, due 2045

**USF&G Capital II—(guaranteed by St. Paul Companies, Inc.)**

- to “bbb-” from “bbb+” on \$100 million 8.47% Series B capital securities, due 2027

**USF&G Capital III—(guaranteed by St. Paul Companies, Inc.)**

- to “bbb-” from “bbb+” on \$100 million 8.312% Series C capital securities, due 2046

**St. Paul Capital Trust I—**

- to “bbb-” from “bbb+” on \$575 million 7.6% preferred capital securities, due 2050

The following indicative ratings under the shelf registration have been downgraded:

**St. Paul Companies, Inc.—**

- to “bbb+” from “a-” on senior debt
- to “bbb” from “bbb+” on subordinated debt
- **St. Paul Capital Trust II** – to “bbb-” from “bbb+” on preferred securities
- to “bbb-” from “bbb” on preferred stock

**A.M. Best Co., established in 1899, is the world’s oldest and most authoritative**

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