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FOR IMMEDIATE RELEASE

Tillinghast – Towers Perrin and Annuity Systems, Inc. Announce Strategic Alliance

New York, NY, MAY 29, 2001 — Tillinghast – Towers Perrin and Annuity Systems, Inc. (ASI) have announced a strategic alliance dedicated to providing risk management solutions for companies providing equity-based insurance products worldwide, including variable annuities, equity-indexed annuities, segregated funds and unit-linked products.

In the alliance, Tillinghast – Towers Perrin and ASI jointly provide the tools and techniques needed for a complete and innovative risk management solution. *RisQ*, a risk management system utilizing the latest technology developed by ASI, monitors and manages the exposure from guarantees provided on equity-based insurance products on a real-time basis, with a live feed to the capital markets. Tillinghast – Towers Perrin will provide the risk management consulting services and product expertise needed to integrate this system into the life insurer's risk management process. Risks addressed in this context include the economic risks from payouts under the guarantees and the loss/volatility of revenues, accounting exposure and operational risks.

"Regulatory and rating agency scrutiny in the U.S. and Canada has increased, both on products with investment guarantees and on how the companies are managing the risks associated with these products," said Charles Gilbert, leader of Tillinghast – Towers Perrin's Asset Liability Management Initiative. "At the same time," Gilbert added, "a number of reinsurers have pulled out of this market, forcing companies to manage the risks themselves."

Alliance Provides New, Advanced Tools to Life Insurance Industry

"The alliance offers insurance companies a complete risk management package enabling better management of the risks associated with investment-guarantee offerings," said Dr. K. Ravindran, ASI's founder and CEO. "It also combines Tillinghast - Towers Perrin's global reach and expertise with ASI's leading-edge risk management system and asset management experience."

"Global demand for this type of risk management service offering is very strong in the insurance industry," according to Tillinghast - Towers Perrin Principal Hubert Mueller, who is coordinating this product offering worldwide. "Joint projects are already under way in both North American and European markets for a number of insurance companies," according to Mueller.

About Annuity Systems, Inc.

Annuity Systems Inc. (ASI) is the brainchild of Dr. K. Ravindran, a pioneer in holistic risk management and a leading expert in the world for quantifying, monitoring and managing equity-based investment product-related risks. Created in May 2000, ASI's mission statement is to create a comprehensive risk management system that allows any user to easily analyze, monitor and manage these exposures. With clients in Europe and North America, ASI provides a systems-based risk management solution that combines dynamic hedging, reinsurance and product development. Furthermore, in providing this system to its clients, ASI has developed an "open architecture technology platform" that allows users of *RisQ* the flexibility of

integrating it with any actuarial software, model or data feed vendor whose services they may already be subscribing to.

About Tillinghast – Towers Perrin and Towers Perrin Reinsurance:

Tillinghast – Towers Perrin and Towers Perrin Reinsurance help clients improve business performance through quantitative analysis, insight, execution and risk transfer solutions. Tillinghast – Towers Perrin provides actuarial and management consulting to the financial services industry worldwide. In addition, our risk management practice consults to a wide range of companies beyond the financial services market, and our health sector practice consults to organizations that finance and manage health care risks. We work with clients to develop strategies that are tailored to their needs.

Tillinghast – Towers Perrin and Towers Perrin Reinsurance are part of Towers Perrin, one of the world's largest independent management and human resource consulting firms, with over 9,000 employees and 78 offices in 74 cities worldwide. Towers Perrin helps organizations improve business performance and manage their investment in people, advising them on human resource strategy and management, organizational effectiveness, compensation, benefits and communications.

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