



# Our Strength in Tough Times

## Transamerica Life (Bermuda) Ltd.

At Transamerica Life (Bermuda) Ltd. (TLB), we take very seriously the trust our policyholders place in us to help ensure their financial security. Despite historical changes in the financial markets, our goal continues to be the same: help our policyholders protect their financial future. Throughout our history, TLB remains resilient, strong and dedicated to delivering on our long-term commitment to our policyholders. As we continue to address the ongoing impact of the financial crisis, there are positive signs of recovery and markets have begun to show early signs of improvement. We understand that now, more than ever, our policyholders need to feel confident about their financial future and are looking for reassurance about their life insurance policies and the company that stands behind them.

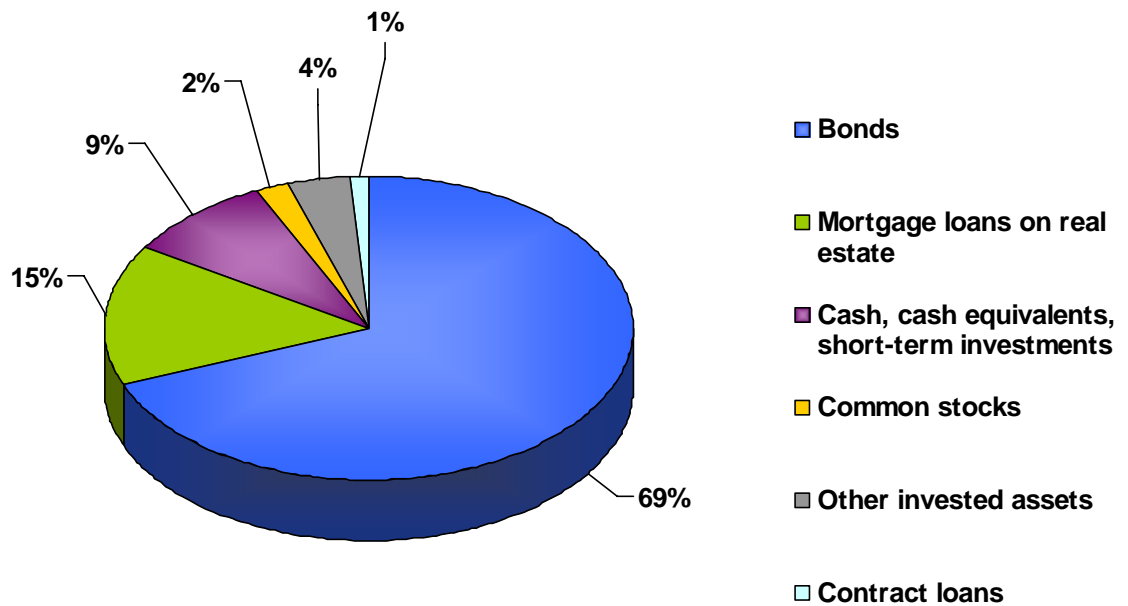
This overview provides information about TLB and its parent company, Transamerica Life Insurance Company (TLIC); the financial information presented here is for the quarter ended September 30, 2009.

Both TLIC and TLB are AEGON N.V. companies. AEGON N.V. is one of the world's largest life insurance and pension groups, and a provider of investment products. Its strength and expertise in capital, risk and asset management will ensure AEGON is well-placed to withstand the current global financial crisis.

This overview presents the investment portfolios for TLIC and TLB, the investment philosophy that guides TLB, the safeguards in place for our policyholders, and our strong financial strength ratings.

# Transamerica Life Insurance Company

## Investment Portfolio (General Account Assets Only)



### Financial Data - U.S. Statutory Basis as of September 30, 2009 (in USD millions)

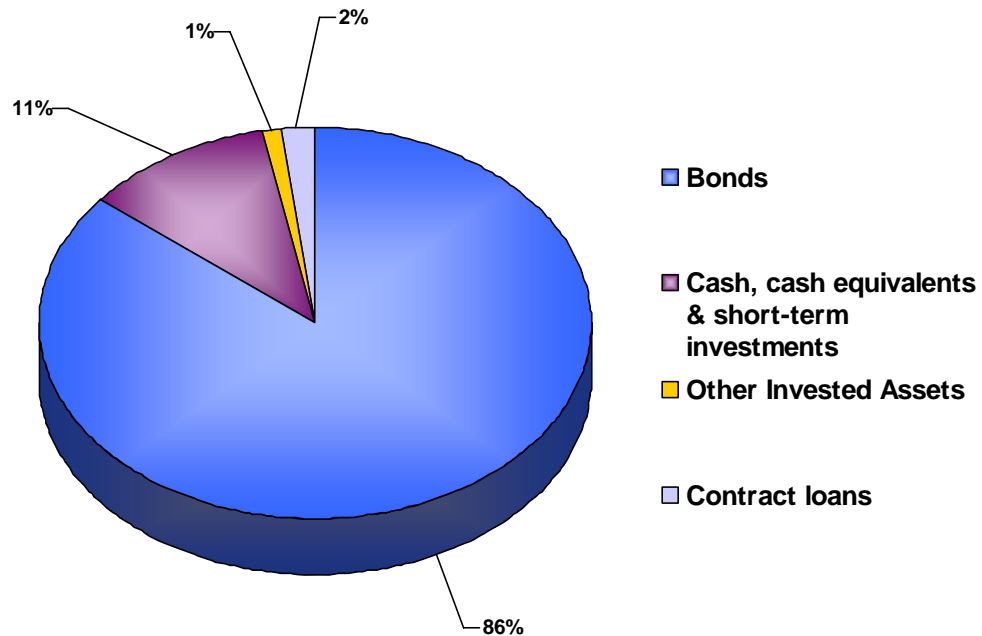
Total Assets	\$100,176
Total Liabilities	\$94,603
Net Worth*	\$5,573

\* Includes Asset Valuation Reserve

## Transamerica Life Bermuda Investment Philosophy

TLB maintains a conservative risk management approach to investing. TLB uses Asset Liability Management (ALM) practices which include taking into consideration liquidity management, credit risk diversification, concentration limits, appropriate asset allocation and duration matching. TLB is focused on creating long-term value for its policyholders and continues to enjoy a strong capital position. Our strategy for maintaining this strong capital position balances the need to maximize financial returns with consideration for risk management and capital preservation. TLB has a well-diversified and high-quality asset portfolio, with 95% of its bond holdings rated Investment Grade.

### TLB Investment Portfolio

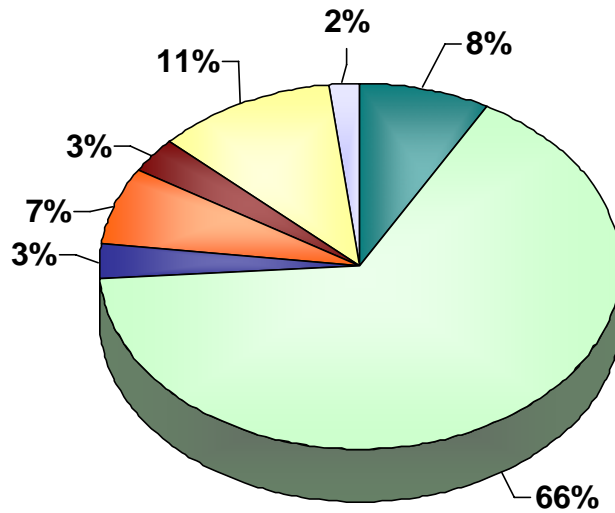


### Financial Data - U.S. Statutory Basis as of September 30, 2009 (in USD millions)

Total Assets	\$1,542
Total Liabilities	\$1,014
Net Worth	\$528

# TLB Investment Portfolio

## By Bond Type



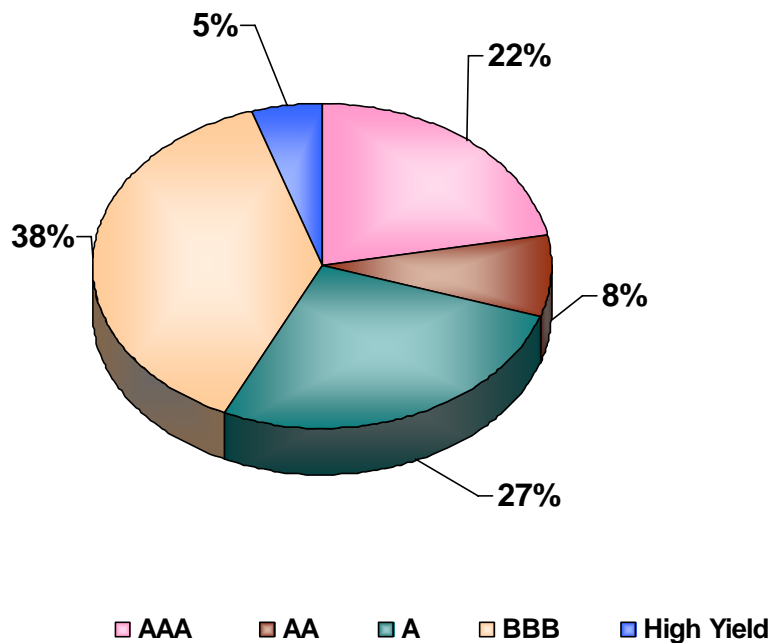
- Treasury, Agency & Other Government Bonds
- Investment Grade Corporate Bonds
- Non-Investment Grade Corporate Bonds
- Asset-Backed Securities
- Mortgage-Backed Securities
- Commercial Mortgage-Backed Securities
- Emerging Markets

TLB's high quality bond portfolio is diversified across bond types, issuers, and sectors.

- 90% of Commercial Mortgage-Backed Securities are rated AA or higher and 100% are investment grade
- 95% of Asset Backed Securities are investment grade with 50% rated AAA

## TLB Investment Portfolio

### Bond Rating Allocation



TLB holds a limited amount of Below-Investment Grade bonds and will not necessarily divest from bonds that have fallen below Investment Grade when TLB believes they continue to have good value. Employing a system of diversification, proper risk management and valuation, and sound security selection, TLB can add value and enhanced performance to its overall bond portfolio by holding a limited amount of Below-Investment Grade bonds as well as bonds from emerging markets.

This disciplined approach has resulted in the following:

- 95% of TLB's Bond Assets are rated Investment Grade.
- The majority of the underlying mortgages supporting TLB's Mortgage-Backed Securities and Commercial-Mortgage Backed Securities are fixed rate.
- TLB does not write Collateralized Debt Obligation (CDO) or Credit Default Swap (CDS) instruments.

## Policyholder Safeguards

TLB is a Bermuda insurer, subject to the Bermuda Insurance Law and governed by the Bermuda Monetary Authority (BMA). The BMA supervises, regulates and inspects financial institutions operating in or from the jurisdiction. TLB exceeds by a wide margin the solvency requirements set forth by the BMA.

As an authorized insurer in Hong Kong, TLB's Hong Kong branch office is also subject to regulatory oversight by the Hong Kong Insurance Authority (HKIA). The HKIA protects the interests of policyholders with stringent controls on operations of life insurance companies. For example, the assets and liabilities are separately accounted for in the books and records, and the HKIA requires regular reports.

To further protect the security of policyholders, the HKIA also prescribes the method and assumptions for valuing liabilities and the level of assets relative to liabilities that an insurance company must maintain. TLB meets the regulatory requirements of the HKIA, including fulfilling minimum paid-up capital, and the maintenance of an excess of assets over liabilities of not less than the required solvency margin. TLB has an appointed actuary who is responsible for the regular monitoring of its solvency position.

While solvency position is an important factor in considering the relative strengths of insurance companies, it is not the only consideration. Other important factors include the company's financial strength rating (please see next page) and any guarantees or agreements that protect the security of policyholders' benefits.

TLIC provides two additional levels of reinsurance and support for TLB policyholders.

The first is a Claims Payment Guarantee which TLIC provides to every TLB policyholder. It provides that in the unlikely event TLB fails to pay a valid claim in accordance with the terms of the insurance policy solely by reason of becoming insolvent (as defined by Bermuda law), then TLIC, to the extent permitted by applicable insolvency laws, will pay the amount of the claim directly to the policyholder or the named beneficiary.

The second is an agreement between TLIC and TLB under which TLIC will provide financial assistance to TLB (if needed) in order to maintain appropriate levels of capital and liquidity.

In summary, TLB's regulatory compliance, high financial strength rating, Claims Payment Guarantee and support from its parent company all provide strong safeguards to protect policyholder benefits.

## Financial Strength Ratings

Our high ratings are a direct reflection of the care with which we manage our business. TLB has received the same high rating as TLIC from Standard & Poor's, one of the industry's most respected independent rating services. Our capital and liquidity are managed to ensure our AA- rating.

TLB and TLIC are rated "AA-" (Very Strong) by Standard & Poor's. TLIC is also rated by A.M. Best, Moody's and Fitch. All ratings are as of September 30, 2009.

	A.M. Best	Moody's	Fitch	S&P
Transamerica Life Insurance Company	A	A1	AA	AA-

**A.M. Best:** An insurer rating of A is considered '**excellent.**' Best's Financial Strength Rating is an opinion of an insurer's ability to meet its obligations to policyholders. This is the third highest rating of 16 ratings in the A.M. Best scale.

**Moody's:** Insurance companies rated A1 offer '**good**' financial security. The A1 rating is the fifth highest of 21 ratings in the Moody's scale.

**Fitch:** AA ratings indicate '**very strong,**' denoting a very low expectation of ceased or interrupted payments. They indicate very strong capacity to meet policyholder and contract obligations on a timely basis. The AA rating is the third highest of 19 ratings in the Fitch scale.

**Standard & Poor's:** An insurer rated AA- has '**very strong**' financial security characteristics, differing only slightly from those rated higher (AAA). This is the fourth highest rating of 21 ratings in the S&P scale.

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Life insurance policies are issued by Transamerica Life (Bermuda) Ltd., incorporated in Hamilton, Bermuda. Policies are only available in Hong Kong and Singapore.