TO: ALL INSURERS AND LICENSEES

FROM: DONNA LEE H. WILLIAMS, COMMISSIONER

Effective March 1, 2002, domestic insurers who transact business only in foreign countries under 18 Del. C.§ 103 and who calculate reserves under 18 Del. C.§ 1104, and which otherwise meet the requirements of 18 Del. C.§ 5809(d) shall be exempt from calculating the differences between the accounting practices permitted by Delaware for companies complying with 18 Del. C.§ 1104 and NAIC Statutory Accounting Practices and Procedures.

DATED: February 25, 2002

Donna Lee H. Williams, Commissioner