

# Our Strength in tough times



FALL 2009

*“The underlying performance of our business is strong and we remain vigilant in managing the impact of the financial crisis.”*

— Darryl Button  
Chief Financial Officer

At Monumental Life Insurance Company we take very seriously the trust our customers place in us to help ensure their financial security. For over 150 years, we have navigated through good times and tough times. Throughout our history, our company has remained resilient, strong and dedicated to delivering on our long-term commitments to our customers.

We understand that now, more than ever, you need to feel confident about your financial future. Despite historical changes in the financial markets, our goal has remained the same: to help our customers protect their financial future by offering a wide range of competitive and innovative products and services. We accomplish this by:

- *Delivering on our long-term commitments,*
- *Maintaining a prudent risk management culture,*
- *Implementing effective capital and liquidity strategies, and*
- *Adhering to a sound and disciplined investment philosophy.*

## Financial Data

Statutory Basis as of June 30, 2009	(in USD millions)
Total Assets	\$33,290
Total Liabilities*	\$31,800
Total Capital and Surplus*	\$1,490

\*Excludes asset valuation reserve

## Financial Strength Ratings\*

(as of October 1, 2009)

A.M. Best	A	Excellent (3rd of 16 categories)
Fitch	AA	Very Strong (3rd of 19 categories)
Moody's	A1	Good (5th of 21 categories)
Standard & Poor's	AA-	Very Strong (4th of 21 categories)

\*Ratings reflect the current opinion of the relative financial strength and operating performance of the company. Copies of rating reports are available at [www.aegonins.com](http://www.aegonins.com).



Home Office: Cedar Rapids, Iowa

an **AEGON**® company

## Delivering on our long-term commitments

At Monumental Life, we hold true to our core values of respect, quality, transparency and trust. Our aim is to deliver long-term value and profitable growth – within a proven culture of disciplined risk management. Throughout our history, this approach has been instrumental in driving our solid financial results and it supports our commitment to serving the long-term interests of our customers. Our disciplined approach to pricing our products and managing risk helps ensure profitability and sustainable growth into the future.



## A prudent risk management culture

Managing risk is integral to the way we conduct our business. Our dedicated and talented risk management professionals have decades of experience and the expertise to ensure our financial strength is maintained well into the future. They stay abreast of economic changes, following strict risk measuring, reporting and monitoring processes and make adjustments as market conditions warrant. Every step we take is with one goal in mind: honoring our commitments to policyholders.

value



## Effective capital and liquidity strategies

Despite unprecedented market volatility, we have maintained strong capital levels and ample liquidity. While we are not immune to events in the financial markets, we have managed our investments to ensure that we have a sufficient level of highly liquid assets in order to meet the cash needs of policyholders and account holders. Liquidity and capital are monitored closely so we can respond quickly to changing market conditions. Even before the financial downturn, we took actions to further strengthen our liquidity position and reduce our risk exposure.

*“Our talented and proven investment team is focused on managing risk and delivering value to our customers and shareholders.”*

— Eric Goodman  
Chief Investment Officer

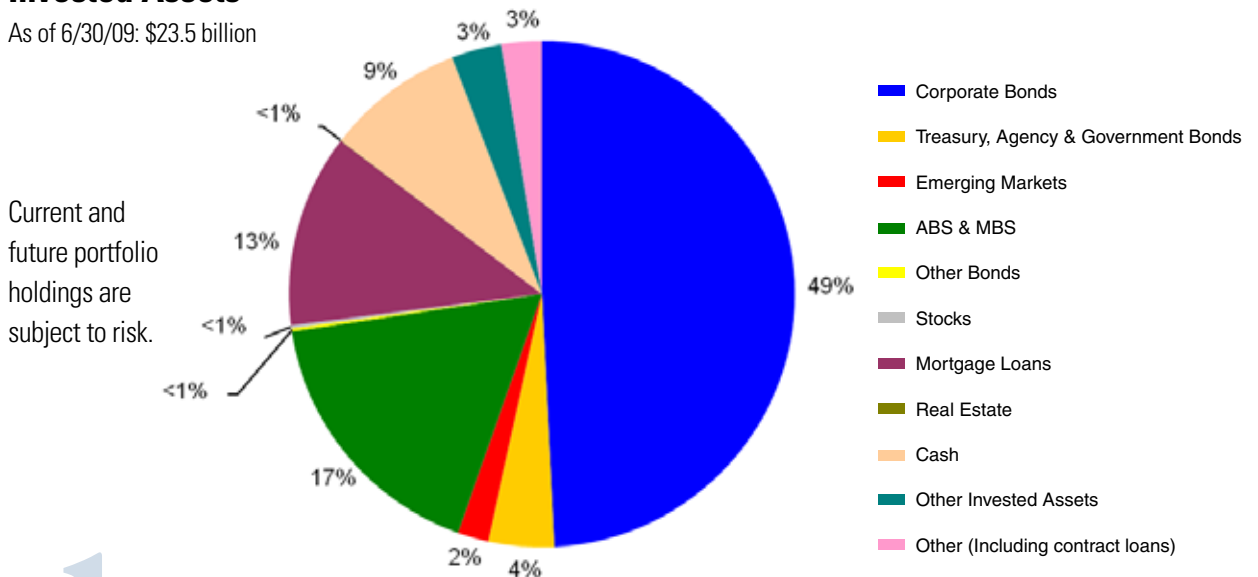


## Sound and disciplined investment philosophy

Our investment philosophy is consistent with the nature of our business, which is the financial promise we make to our customers for the future. To ensure we deliver on that promise, we take a long-term and conservative approach to investing the premiums we receive. Our disciplined investment team understands the full spectrum of risk and how to balance risk and reward in order to find the most compelling total return opportunities.

## Total General Account Invested Assets

As of 6/30/09: \$23.5 billion



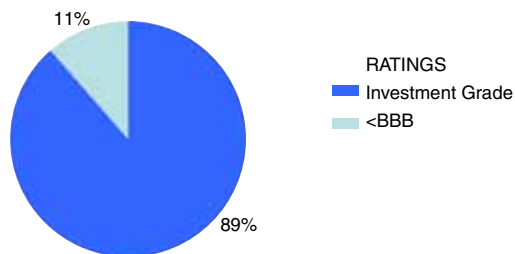
# balance

*Our investment portfolio is broadly diversified with an emphasis on high quality fixed income and real estate asset classes.*

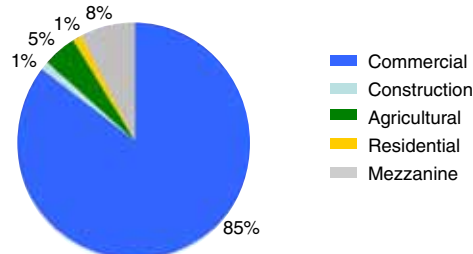
**Invested Asset Detail**  
as of 6/30/09

The portfolio is conservatively positioned to limit exposure to below investment grade bonds and subprime mortgage securities.

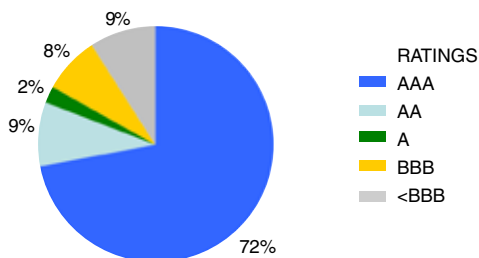
**Bond Portfolio = \$17.1 billion**



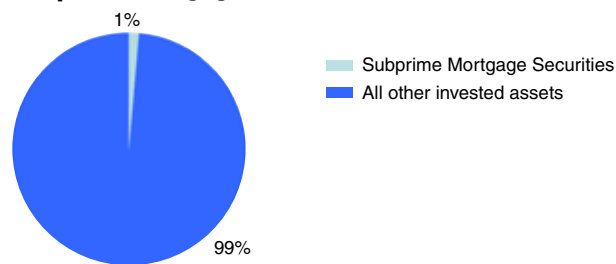
**Direct Mortgage Loans = \$2.9 billion**



**Commercial and Residential Mortgage-Backed Securities\* = \$1.6 billion**



**Subprime Mortgage Securities\*\* = \$328 million**



\*Mortgage-backed security secured by pools of mortgage loans on commercial or residential properties. Includes asset-backed securities (ABS) collateralized by subprime mortgages.

\*\*Asset-backed securities issued by a securitization trust when the average credit score of the underlying borrower is below 660 at issuance and second lien mortgages.

Note: Ratings are based on a hierarchy of S&P, Moody's, Fitch, Internal, NAIC.



Monumental Life is an AEGON company. AEGON N.V. is an international life insurance, pension and investment company based in The Hague, the Netherlands with major operations located in the U.S. AEGON has businesses in over 20 markets in the Americas, Europe and Asia and its companies employ nearly 30,000 people and have over 40 million customers across the globe.

**Not insured by the FDIC or any federal government agency.**

**Not a deposit of or guaranteed by any bank, bank affiliate or credit union. May lose value.**

Guarantees are based on the claims paying ability of Monumental Life. Guarantees do not apply to the performance or safety of the investment options of its variable universal life insurance or variable annuity contracts.

*Before investing in a variable annuity or variable universal life insurance policy, consider its investment objectives, risks, charges and expenses. Contact Monumental Life for a prospectus containing this information. Read it carefully.*

Insurance products issued by: Monumental Life Insurance Company, Cedar Rapids, IA. Transamerica Capital, Inc. is the underwriting and wholesaling broker/dealer for variable annuity and variable life insurance policies issued by Monumental Life Insurance Company.