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MEMBER UPDATE – MARCH 24, 2004

Further to ISDA's comment letter to the National Association of Insurance Commissioners (NAIC) on February 23, 2004, ISDA attended the Property and Casualty (C) Committee session of the NAIC's Spring National Meeting held in New York. Discussions included consideration of the draft white paper that characterized weather derivatives as insurance. The draft white paper was rejected by the NAIC Insurance Securitization Working Group and the NAIC Crop Insurance Working Group, who initially prepared the paper, but had re-considered it in light of weather insurance industry comment. Based on a vote of the Property and Casualty (C) Committee, the draft white paper was "tabled" which means that no further discussions will continue on this matter and the paper will not be published.