



Fortis Announces Retirement of Freedman from Fortis, Inc. and Appoints Clayton as President AND COO

UTRECHT/BRUSSELS/NEW YORK, September 15, 1999 - Fortis announced that it has appointed J. Kerry Clayton, 53, as president and chief operating officer, effective today. Allen R. Freedman, 59, chairman and chief executive officer of Fortis, Inc., also announced today that he intends to retire on July 31, 2000. Mr. Freedman will continue as a member of the Board of Directors of Fortis, Inc. and remain as CEO until April 2000. In conjunction with these changes, J. Grover Thomas, executive vice president of Fortis, Inc., has announced that he will resign effective December 31, 1999.

Mr. Freedman began the Fortis U.S. insurance operation as a start-up in the mid-1970s, and has managed its growth through a series of acquisitions and consolidations. Under his leadership, Fortis, Inc. completed the successful \$2.6 billion acquisition of American Bankers Insurance Group in August, 1999. The Company now employs over 11,000 people in the U.S., has assets of approximately \$17 billion and revenues of over \$5.5 billion. Mr. Freedman stated, "All the elements are now in place for a new generation of management at Fortis, Inc. I made the decision to retire with confidence that Kerry and his team will successfully build upon this solid foundation to continue to maximize the growth and success that we have achieved over the past three decades."

Mr. Freedman will also remain a member of the Boards of Fortis Mutual Funds and First Fortis Life Insurance Company. He will devote more time to his farm in Upstate New York, where he breeds and trains Paso Fino horses. Mr. Freedman will channel his investment activities through Charlotte Valley Ventures, his family investment partnership. He also plans to devote more time to philanthropic interests, which presently include the Philadelphia Orchestra and The United Way.

Mr. Clayton previously served as executive vice president of Fortis, Inc. where he was responsible for the M&A, Finance, Legal and Information Technology functions. He also oversees several Fortis U.S. business units including Fortis Long Term Care and Fortis Financial Group. Mr. Clayton is a member of the Fortis, Inc. Executive Committee and the Fortis, Inc. Board of Directors.

From 1985 to 1993, Mr. Clayton served as president of Fortis Benefits Insurance Company, which acquired and combined the operations of Western Life Insurance Company, St. Paul Life Insurance Company and the Group Division of Mutual Benefit Life. He also served as senior vice president, finance of Fortis, Inc. from 1981 to 1985. From 1970 to 1980, Mr. Clayton held various positions with American Security Group, which was acquired by Fortis, Inc. in 1980.

Mr. Clayton is a native of Atlanta, and holds an engineering degree from Georgia Tech and an MBA from Harvard Business School. He lives in Summit, New Jersey with his wife and two children.

Mr. Clayton stated, "Under Allen's leadership, Fortis has grown to achieve notable stature as a highly focused specialty insurer with leading positions in each of our core specialty businesses. We remain committed to our strategy to concentrate on a limited number of highly profitable and growing specialty businesses in the United States."

Commenting on Messrs. Freedman's retirement and Clayton's appointment, Henjo Hielkema, Chairman of Fortis Insurance NV and Vice Chairman of Fortis Group stated, "Allen brought the company from a two person office to a mature organization with 11,000 employees, an accomplishment few CEOs have achieved." He further stated, "I extend my congratulations to Kerry on this well-deserved appointment and look forward to continuing our joint pursuit to enhance the scope of our business

worldwide."

Grover Thomas, executive vice president of Fortis, Inc, is a member of Fortis, Inc.'s Executive Committee and oversees Fortis Family and Fortis Health. He has served in his current capacity since 1994 following his position as CEO of Fortis Family. He began his career with Fortis in 1983.

Mr. Freedman said, "We are most appreciative of Grover's contribution to the success of Fortis, Inc. We recognize his desire to lead an enterprise and wish him well in his career after leaving Fortis." Effective today, those companies that previously reported to Grover, Fortis Family and Fortis Health, will report to Kerry Clayton and Rob Pollock, executive vice president and member of the Executive Committee of Fortis, Inc., respectively. Assurant Group, (formerly American Security Group and American Bankers Insurance Group), will continue to report to Edward J. O'Hare, a member of the Fortis, Inc. Executive Committee.

Fortis, Inc. is a financial services company that, through its operating companies and affiliates, provides specialty insurance and investment products to businesses, associations, financial service organizations and individuals in the U.S. The company owns or manages approximately \$17 billion in assets. Fortis, Inc. is a part of Fortis, an international financial group operating in the fields of insurance, banking and investments, with assets in excess of \$390 billion. Fortis' listed companies are Fortis (B) of Belgium and Fortis (NL) of the Netherlands. Fortis (B) securities trade on Brussels, London and Luxembourg exchanges; the securities of Fortis (NL) trade on the Amsterdam, London and Luxembourg exchanges and as ADRs on the NASDAQ "Bulletin Board" in the U.S.

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