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FOR IMMEDIATE RELEASE

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A.M. Best Affirms Ratings of National Guaranty Insurance Company of Vermont

OLDWICK, N.J., October 25, 2011—A.M. Best Co. has affirmed the financial strength rating of A- (Excellent) and issuer credit rating of “a-” of **National Guaranty Insurance Company of Vermont** (NGIC) (Burlington, VT). The outlook for both ratings is stable.

The ratings reflect NGIC’s excellent capital position, consistently profitable operating performance, experienced management team and its parent company, **Waste Management, Inc.’s** (WM) [NYSE: WM] operational controls.

Partially offsetting these positive rating factors is a large percentage of NGIC’s surplus is loaned back to WM and is supported by a 24-hour demand note from WM. However, capital levels at NGIC are monitored by Vermont, and the company must maintain a certain aggregate exposure to capital ratio as prescribed by the Vermont Department of Banking, Insurance, Securities and Health Care Administration.

As a pure captive established to meet the financial assurance obligations of WM under Subtitle D of the Resource Conservation and Recovery Act, NGIC’s financial strength is closely tied to the financial position of WM. The coverages written apply to WM-owned landfills and assure that as of the date of closure there will be sufficient funds to pay for proper closure and post-closure activities; such as “capping” and monitoring of the site. The reserves for these coverages are maintained on WM’s balance sheet. The parent’s ability to adhere to its strict operating guidelines, including reserve adequacy, ensures that NGIC has minimal exposure to losses.

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A.M. Best remains the leading rating agency of alternative risk transfer entities, with more than 200 such vehicles rated in the United States and throughout the world.

For current Best's Credit Ratings and independent data on the captive and alternative insurance market, please visit www.ambest.com/captive.

The principal methodology used in determining these ratings is [Best's Credit Rating Methodology -- Global Life and Non-Life Insurance Edition](#), which provides a comprehensive explanation of A.M. Best's rating process and highlights the different rating criteria employed. Additional key criteria utilized include: "Risk Management and the Rating Process for Insurance Companies"; "Understanding BCAR for Property/Casualty Insurers"; "Rating Members of Insurance Groups"; and "A.M. Best's Rating Methodology for Captive Insurance Companies." Methodologies can be found at www.ambest.com/ratings/methodology.

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