

KMS
Insurance
Services Limited

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Brooke Holton
Office of the Clerk
Merrimack County Superior Court
163 N. Main Street,
PO Box 2880
Concord
New Hampshire 03301

29 September 2006

Attention: The Home Docket No. 03-E-0106

Dear Brooke,

**Wintherthur Swiss Insurance Company ("WSI") – INTL 278096-01
Notice of Determination No.4**

Further to my letter dated 28 September 2004, copy attached, Richard Garippa of The Home Insurance Company has advised me, that to register our objection to the determination of the claims, we must provide details to the Court.

Consequently, please find attached a copies our original letter, dated 9 June 2006, with attachments, requesting a review of the balances now being objected to and as mentioned above, a copy of our letter dated yesterday.

We trust that will agree to our proposal in respect of the London Representative Fees and Witco Chemical Claim as set out in our letter dated 28 September 2006.

Should you have any queries please do not hesitate to contact me.

Yours faithfully

Philip Caldicott
Reinsurance Specialist

cc: Jonathan Rosen, Chief Operating Officer - HIC in Liquidation
Richard C. Garippa – Assistant Vice President, Reinsurance - HIC in Liquidation
Nick Tyndall, Claims Manager - Ace INA Services UK Ltd
Sarah Ellis, Assistant Director – Ernst & Young LLP
Kate Sliwiska – Winterthur Swiss (w/o enc)

2006 OCT -5 A 8:30

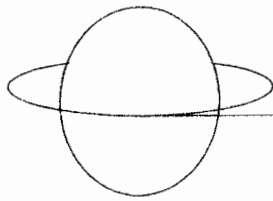
We trust that you will find this to be in order and await your response in due course.

Yours faithfully

A handwritten signature in cursive script, appearing to read "Philip Caldicott".

Philip Caldicott
Reinsurance Specialist

cc: Jonathan Rosen, Chief Operating Officer - IIC in Liquidation
Nick Tyndall, Claims Manager - Ace INA Services UK Ltd
Sarah Ellis, Assistant Director -- Ernst & Young LLP
Brooke Holton - Office of the Clerk - Merrimack County Superior Court
Kate Sliwiska – Winterthur Swiss



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Email: Enquiries@kmsis.com

Richard Garippa
The Home Insurance Company in Liquidation
PO Box 1720
Manchester
NH 03105-1720
United States of America

9 June 2006

Attention: The Home Docket No. 03-E-0106

Dear Sirs,

**Wintherthur Swiss Insurance Company ("WSI") – INTL 278096
Notice of Determination No.4**

Further to the above Notice of Determination dated 16 May 2006, we wish to advise of our objection to the value attributed to a number of losses as detailed below.

London Representative Fees – Various Losses (see attached schedule) – US\$3,107.71

We believe London Representatives Fees are recoverable under the terms of the reinsurance policies, this is based upon the wording of the Insuring and Ultimate Net Loss clauses in the appropriate reinsurance policies, copies of which are attached.

The Insuring clause refers to "each and every loss inclusive of legal costs" and the Ultimate Net Loss clause includes the passage "and shall include all adjustment expenses arising from the settlement of the claims of the Reinsured".

Based upon the above we believe that the deduction of the London Representative Fees is inappropriate.

Witco Chemical – US\$7,863.37

The amount submitted has been reduced by Home, on the advice of Ace who have stated that "long term policies with annual limits and resignings should be treated as separate policies, with each annual policy being deemed the inception date". Therefore, Ace consider the excess point should be US\$412,500 and not US\$300,000 as advised by the broker Claim Settlement Advice dated 30 October 1998.

We contest this and respond thus; it is the inception date of the whole 36-month policy period that provides the relevant retention. Therefore, as the policy to which this loss attaches incept on the 1 May 1976 and runs for 36 months (please see the attached slip), it falls within Section 2 of the relevant reinsurance policy (see attached), which has an excess point as quoted by the broker of US\$300,000

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Dow Corning – US\$1,345.55

Ace have rejected this loss in its entirety as they state in the absence of an Extracontractual Obligation clause (“ECO”), Pre Judgement Interest (“PJI”) is not recoverable. We believe that the reference to the ECO clause is incorrect and irrelevant as the PJI formed part of the original court award and was consequently part of the ‘settlement of losses’ as defined in the Ultimate Net Loss clause contained within the reinsurance treaty wording (see attached).

With regard to the remaining losses advised within the above Determination, we are pleased to confirm that we can agree values advised which total US\$61,753.29.

We trust that you will find this to be in order and await your response in due course.

Yours faithfully

A handwritten signature in black ink, appearing to read "Philip Caldicott". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Philip Caldicott
Reinsurance Specialist

cc: Kate Sliwiska – Winterthur Swiss (w/o enc)

Schedule of Objected Claim Valuations – London Representative Fees

Claimant	Loss Details	Date of Loss	AFIA treaty	Submitted US\$	Agreed US\$
GD Searle	Vars product losses	1/1/1976		1,854.91	1,656.77
Flintkote	Asbestos related	7/1/1977		1,252.80	1,125.52

THE HOME INSURANCE COMPANY IN LIQUIDATION
P.O. Box 1720
Manchester, New Hampshire 03105-1720
Tel: (800) 347-0014

POC IN HL 278096-04

Amount Allowed: \$65,202.77 (US\$)

Winterthur Swiss Insurance Company
c/o KMS Insurance Services Ltd
America House
2 America Square
London EC2N 2LU England
Attention: Mark Langridge

ACKNOWLEDGMENT OF RECEIPT – NOD #4

I hereby acknowledge receipt of the Notice of Determination as a Class V Creditor claim and confirm that I understand the content thereof. I further acknowledge and confirm that I understand the Instructions regarding the Notice of Determination of my Claim against The Home Insurance Company in Liquidation and in that regard advise as follows:

(Check off all applicable items.)

I agree to the determination.

I agree to \$~~6,753.29~~ of the determination and will file either a Request for Review or an Objection with the Court for the balance of \$~~12,316.63~~ 12,316.63

I reject the determination and want to file a Request for Review (specific reasons must be included along with return of the signed Acknowledgment).

I reject the determination and intend to file a separate Objection with the Court, without filing a Request for Review (specific reasons must be included along with return of the signed Acknowledgment).

I request that The Home mail further correspondence to:

same name as above.
new name _____

same address as above
new address _____

This Acknowledgment of Receipt must be completed, signed and returned to The Home in order to be eligible for distributions from The Home estate as directed by the Court.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Home Insurance Company in Liquidation
 Agreed & Rejected Claims

Claimant Name: Winterthur Swiss Insurance Company
 H.S. Weavers (Underwriting) Agencies Limited

NOD#4

Orig Net Open

ALIA
 Loss Details
 Year Acctg Pd Entry Date ALIA Claim # Submitted Agreed Remarks

Claims Agreed prior September 2003

ALIA	Year	Acctg Pd	Entry Date	ALIA Claim #	Submitted	Agreed	Remarks
AT02454	1975	2000/04	5/4/2000	AT02454*72	2,481.21	2,481.21	Agree claim not indemnity only
AT04175	1976	2002/10	10/10/2002	AT04175*63	14,366.89	14,366.89	
AT02454	1975	2000/06	9/6/2000	AT02454*93	(436.18)	(436.18)	
AT02454	1975	1998/12	11/26/98	AT02454*112	92.24	206.68	plu Weavers \$2,689.64
AT02454	1975	2004/08	6/8/2004	AT02454*95*4	5,771.58	5,771.58	Agree as presented WP
sub-total					22,275.65	22,390.09	

Claims Agreed post September 2003

Period or Date of Loss	Submitted	Agreed	Remarks
Various products	7,863.37	552.25	see Note to Brokers 2-5-00
aggregate products	277.38	277.38	Agreed; comments noted 26-5-04
various losses	23,425.97	23,425.97	Agree entirely WP for Ind only
aggregate asbestos	15,152.01	15,152.01	Agree WP (Ind/Del)
cars product losses	622.28	622.28	Allow entirely; WP/dispensed amounts; deducted from coll dated 17/1/02
cars product losses	1,854.91	1,656.77	Agree WP net of London Rep costs
asbestos related	1,252.80	1,125.52	Agree WP net of London Rep Costs
sub-total	50,448.72	42,812.68	

Claims Rejected post September 2003

Breast Implants	1,345.55	0.00	rejected 10/99; 6/00 - PIH not recover in absence of ECU clause
agg asbestos losses	1,157.79	0.00	liab was ascertained prior to 6-12-89/collection is subject to Limitation Act
sub-total	2,503.34	0.00	

Grand Totals 75,227.71 65,202.77

39/05004/00

CONTRACT OF REINSURANCE

issued to

H. S. WEAVERS (UNDERWRITING) AGENCIES LIMITED

by

LLOYD'S UNDERWRITERS AND
CERTAIN INSURANCE AND REINSURANCE COMPANIES

(hereinafter referred to as the "Reinsurers")

This Reinsurance is to indemnify H. S. Weavers (Underwriting) Agencies Limited on behalf of the Company and/or Companies for which they underwrite comprising their No. 1, 2, 3 and 4 Group (hereinafter referred to as the "Reinsured") in respect of all losses occurring anywhere in the World incurred by them under policies and/or contracts of Insurance and/or Reinsurance covering:

Section "A" hereof

All Casualty business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under Contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reinsured as Casualty Business.

It is hereby understood and agreed that this Section shall not cover any loss caused by or resulting from all risks of Physic Loss or Damage unless such loss be incurred by the Reinsured under a policy or contract covering Third Party and/or Common Law Liability which liability shall be the proximate cause of the loss to them.

Section "B" hereof

All Risks of Physical Loss or Damage or losses consequent therefrom when such losses are not recoverable on Section "A" hereof under all Casualty Business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under Contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reinsured as Casualty Business.

Subject, however, to the following terms and conditions:

INSURING CLAUSE

This Reinsurance is to pay up to £357,143 or US. or Can. \$1,000,000 each and every loss inclusive of legal costs over all Groups combined, excess of an ultimate nett loss of £785,714 or US. or Can. \$2,200,000 each and every loss inclusive of legal costs over all Groups combined, which is in turn excess of the following amounts for each Group individually.

Group 1 £35,714 or US. or Can. \$100,000 ultimate nett loss each and every loss inclusive of legal costs.

Group 2 £21,429 or US. or Can. \$60,000 ultimate nett loss each and every loss inclusive of legal costs.

Group 3 £14,285 or US. or Can. \$40,000 ultimate nett loss each and every loss inclusive of legal costs.

Group 4 £35,714 or US. or Can. \$100,000 ultimate nett loss each and every loss inclusive of legal costs.

PERIOD:

This Reinsurance covers all losses as herein defined occurring during the period commencing with the 31st December 1974 and ending with the 30th December 1975 both days inclusive, Local Standard Time at the place where the loss occurs.

In the event of this Reinsurance not being renewed, it is agreed to indemnify the Reinsured for losses occurring during the period of 12 months from 31st December 1975 in respect of policies and/or contracts and/or covers written on or prior to 30th December 1975 at terms to be agreed.

It is understood and agreed that the Reinsured must elect to accept the "run-off" provision before the effective date if such "run-off" is required. It being understood and agreed that each annual period shall be deemed a separate Reinsurance

EXTENSION OF PROTECTION CLAUSE

If this Reinsurance should expire whilst a loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event is in progress, it is agreed that subject to the other conditions of this Reinsurance the Reinsurers shall pay their proportion of the entire loss or damage, provided that the loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event commenced before the time of expiration of this Reinsurance.

LOSSES DISCOVERED OR CLAIMS MADE CLAUSE

It is understood and agreed that as regards losses arising under policies and/or contracts covering on a "Losses Discovered" or "Claims Made" basis, that is to say policies and/or contracts in which the date of discovery of the loss or the date the claim is first made against the Assured or is first notified to Underwriters determines under which policy or contract the loss is collectible, such losses are covered hereunder and the date of discovery of such loss or the date such claim is made or first notified shall be deemed to be the date of the loss occurrence for the purposes of this Reinsurance provided that the date of the discovery of the loss or the date the claim is made or first notified falls within the period of this Reinsurance.

For the purposes of the foregoing the date of the first discovery of a loss occurrence or the date the claim is first made against an Assured or first notified to Underwriters shall be the date applicable to the entire loss and the Reinsurers shall be liable for their proportion of the entire loss and/or claim irrespective of the expiry date of this Reinsurance provided that such first discovery date or first date such claim is made or notified falls within the period of this Reinsurance.

ULTIMATE NETT LOSS CLAUSE

The term "Ultimate Nett Loss" shall mean the sum actually paid by the Reinsured in settlement of losses or liability after making deductions for all recoveries, all salvages and all claims upon other reinsurances, whether collected or not, and shall include all adjustment expenses arising from the settlement of claims other than the salaries of employees and the office expenses of the Reinsured. All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this Reinsurance shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.

Provided always that nothing in this clause shall be construed to mean that losses under this Reinsurance are not recoverable until the Reinsured's Ultimate Nett Loss has been ascertained.

It is understood and agreed that recoveries under the Reinsurance underlying Casualty Excess of Loss protection shall inure to their sole benefit and shall not be taken into account in calculating their Ultimate Nett Loss.

DEFINITION OF "EACH AND EVERY LOSS"

For the purpose of this Reinsurance the term "each and every loss" shall be understood to mean each and every loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event.

PREMIUM CLAUSE

The premium for this Reinsurance shall be calculated at 2.45% of the Reinsured's Nett Premium Income on the business protected "accounted for" during the period of this Reinsurance, subject to a Minimum and Deposit Premium of US\$170,000 payable in four equal quarterly instalments in advance. To be adjusted as soon as practicable after expiry.

In order to ascertain if the Minimum Premium has been exceeded, Sterling shall be converted to United States Dollars using the mean rates of exchange ruling in London on the date of inception of this Reinsurance, and Canadian Dollars shall be converted to United States Dollars at par, unless otherwise agreed. If as a result of the Minimum Premium stipulation an additional premium becomes due, adjustment will be made hereunder in Sterling, United States Dollars and Canadian Dollars in the same ratio as the Reinsured's Nett Premium Income in these currencies bears

The term "Nett Premium Income" shall be understood to mean gross premiums less commission, brokerage and profit commissic cancellations and return premiums and less premiums given off by way of reinsurance, recoveries under which inure to the benefit of the Reinsurers hereon, and after deduction of premi in respect of business excluded from the protection of this Reinsurance.

CURRENCY CONVERSION CLAUSE

(i) Not to apply to United States or Canadian Dollars

Losses, if any, in foreign or colonial currencies shall be converted into Sterling at the rate of exchange ruling in London on the date of the settlement of the original loss.

(ii) Losses involving payment in both United States Dollars and/or Canadian Dollars and other Currencies

In the event of the Reinsured becoming involved in a loss requiring payment in Sterling and United States Dollars and/or Canadian Dollars, the excess and indemnity hereunder shall be apportioned in the proportion that the amount of each currency bears to the total amount of the loss sustained by the Reinsured. For the purpose of calculating the excess and indemnity hereunder the amounts involved shall be reduced to a common currency by considering US.\$ or C\$ 2.80 equal to £1 Sterling.

REINSTATEMENT CLAUSE

In the event of loss or losses occurring under this Reinsurance it is hereby mutually agreed automatically to reinstate this Reinsurance to its full amount from the time of the occurrence of such loss or losses until expiry of this Reinsurance, without additional premium, such reinstatements to be unlimited during the currency hereof, nevertheless Reinsurers' liability shall be limited to the amount of indemnity each and every loss as set out in the Insuring Clause.

NUCLEAR INCIDENT EXCLUSION CLAUSE

(i) Applicable to American Reinsurers only

(a) Other than U.S.A. and Canadian business

This Reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any associat^{ed}

- 6 -

nuclear energy risks or as direct or indirect Reinsurers of any such member, subscriber or association or any placings of a similar nature which are effected on the basis of Underwriting accepting nett absolutely lines and undertaking not to reinsure

(b) U.S.A. and Canadian business

It is understood and agreed that the "Nuclear Incident Exclusion Clauses - Liability Reinsurance, Physical Damage Reinsurance and Boiler and Machinery Reinsurance" as attached hereto shall be deemed to form an integral part hereof.

(ii) Applicable to all other Reinsurers

This Reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any association of Insurers or Reinsurers formed for the purpose of covering nuclear energy risks or as direct or indirect Reinsurers of any such member, subscriber or association or any placings of a similar nature which are effected on the basis of Underwriting accepting nett absolutely lines and undertaking not to reinsure

INSPECTION OF RECORDS

No further particulars shall be required by the Reinsurers but the books of the Reinsured, so far as they concern the insurances or reinsurances falling within the scope of this Reinsurance, shall be open to the inspection of an authorised representative of the Reinsurers at any reasonable time during the continuance of this Reinsurance or of any liability hereunder

AMENDMENTS AND ALTERATIONS

It is hereby understood and agreed that any amendments and/or alterations to this Reinsurance that are agreed, either by correspondence and/or Broker's Slip endorsements, shall be automatically binding hereon and shall be considered to form an integral part hereof, subject nevertheless to the issue of a Contract Addendum, if specially required by the Reinsurers.

NOTICE OF LOSS CLAUSE

All loss settlements made by the Reinsured, including compromise settlements, shall be unconditionally binding upon Reinsurers provided such settlements are within the conditions of the original policies and/or contracts and within the terms of the

Reinsurance, and amounts falling to the share of the Reinsurer shall be payable by them upon reasonable evidence of the amount paid being given by the Reinsured.

In the event of a claim arising hereunder notice shall be given to the Reinsurers through J.H. MINET & COMPANY LIMITED as soon as practicable, and all papers in connection therewith shall be at the command of the Reinsurers on this Reinsurance or parties designated by them for inspection.

REINSURANCE CLAUSE

This Reinsurance shall be deemed to be subject to the same terms, clauses and conditions as the original policies and/or contracts as far as they may be applicable hereto and shall pay as may be paid thereon, but subject nevertheless to the terms and conditions of this Reinsurance.

ERRORS AND OMISSIONS CLAUSE

It is hereby declared and agreed that any inadvertent delays, omissions or errors made in connection with this Reinsurance shall not be held to relieve either of the parties hereto from any liability which would have attached to them hereunder if such delay, omission or error had not occurred provided that rectification is made upon discovery. It is further agreed that in all things coming within the scope of this Reinsurance, the Reinsurers shall share to the extent of their interest the fortunes of the Reinsured.

ARBITRATION CLAUSE

All disputes or differences between the parties or their respective Successors, Executors, Administrators or Assigns, or between one of them and the Successors, Executors, Administrators or Assigns of the other, arising out of the construction and/or performance of the present Reinsurance shall be referred to two Arbitrators, one to be chosen by each party, and such Arbitrators shall first choose an Umpire before entering upon the reference. If either of the parties fails to appoint its Arbitrator within four weeks after the other has requested arbitration, or if the two Arbitrators fail to agree within a further period of four weeks upon a third to act as Umpire, then the Arbitrator or the Umpire, as the case may be, shall be appointed by the Chairman or a Deputy Chairman of Lloyd's.

This Reinsurance shall be deemed a submission to arbitration within the meaning of the Arbitration Act for the time being in force, and all provisions thereof shall apply hereto except that the Arbitrators shall, in addition to any powers conferred upon them by the said Act, have power to call for and receive and act upon such evidence or information, oral or documentary whether strictly admissible as evidence or not, as they may think proper.

The Arbitrators and the Umpire shall interpret this Reinsurance as an honourable engagement and they shall make their award with a view to effecting the general purpose of this Reinsurance in a reasonable manner, rather than in accordance with a literal interpretation of the language, the true intention of the parties being that the Reinsurers shall follow the fortune of the Reinsured.

The Arbitration shall take place in LONDON and the costs there shall be borne by the parties thereto as may be directed by the Arbitrators or the Umpire, as the case may be.

This Reinsurance shall be governed by and construed in accordance with the Law of England.

CONDITIONS APPLICABLE TO SECTION "A" ONLY

AGGREGATE EXTENSION CLAUSE (applicable to Liability and Professional Indemnity business only)

As regards liability incurred by the Reinsured for losses on risks covering on an aggregate basis, this Reinsurance shall protect the Reinsured excess of the amounts as provided for herein in the aggregate any one such aggregate loss up to the limit of indemnity as provided for herein in all any one such aggregate loss.

Notwithstanding that this Reinsurance is effected on a "losses occurring during the period" basis, all aggregate policies or contracts coming within the scope of this protection shall be covered on a "risks incepting during the period" basis. Furthermore, where an aggregate policy or contract is issued for limits relevant to an overall period greater than twelve months with an inception date during the period of this Reinsurance then such policy or contract shall be covered hereunder for the whole of its period notwithstanding any

annual resignation. Long term policy periods with annual limits are to be treated as each annual period being a separate policy or contract with the anniversary date being regarded as the inception date. It is understood and agreed that the inception date of each declaration or "signing off" a contract shall govern its date of attachment to this Reinsurance.

It is understood and agreed that policies or contracts to which such aggregate risks attach, effected directly and/or by way of reinsurance, in a series of "layers" (whether immediately excess of each other or otherwise) shall be deemed to be one aggregate risk for the purpose of this Reinsurance provided such policies and/or contracts have inception dates during the period of this Reinsurance.

Furthermore, in circumstances in which one event or occurrence or series of events or occurrences originating from one cause affects more than one policy or contract issued to different Insureds or Reinsureds, then, in such circumstances, a series of policies or contracts so issued shall be deemed to constitute one aggregate risk for the purpose of this Reinsurance, provided that each policy or contract has inception during the period of this Reinsurance. Nevertheless, in circumstances in which the policy or policies of more than one Insured are involved in an aggregation of losses, only that part of the aggregation concerned with and originating from the one cause shall be considered as being covered by this Reinsurance in respect of each and every loss etcetera.

Notwithstanding the foregoing the Reinsured, as an alternative have the option to extract from an aggregate policy or contract the amount of the loss sustained by them arising from any one accident and/or series of accidents arising out of one event in order that such loss can be added to the Reinsured's losses from accidents or series of accidents arising from the same event on other policies or contracts, provided that the loss occurs during the period of this Reinsurance.

Notwithstanding anything herein contained to the contrary, it is understood and agreed that Excess of Loss Reinsurances written by the Reinsured on an aggregate basis issued in the name and for the account of a Lloyd's Syndicate or Insurance or Reinsurance Company protecting their whole account or a section of their account, shall not be covered hereunder on an aggregate basis.

The foregoing exclusion shall not apply to aggregate liability assumed by the Reinsured on an "each and every loss" contract containing an Aggregate Extension Clause subject to the exclusion contained in the Exclusion Clause of this Reinsurance.

For the purpose of paragraphs 4 and 5 of this Clause, the amount of a loss from one accident or series of accidents arising out of one event or cause on an aggregate policy or contract shall be deemed to be that percentage of the aggregate loss to the Reinsured on the original policy or contract that the total loss from the particular accident bears to the total aggregate losses to the original Insured or Reinsured on the business protected.

In the event of the Reinsured being involved in a loss from one cause as referred to above and such loss arises from more than one policy and/or contract and such policies and/or contracts attach in different years it is hereby understood and agreed that the amount of the excess to be retained by the Reinsured under this Reinsurance shall be reduced to that percentage of the excess set out in the Insuring Clause which the Reinsured's settled losses on the original policies and/or contracts incepting during each annual period commencing on 31st December bears to the total of the Reinsured's settled losses arising out of all policies and/or contracts contributing to the loss. The indemnity and/or recovery hereunder shall likewise be arrived at in the same manner.

EXCESS OF LOSS EXCLUSION CLAUSE

This Section excludes liability arising out of any Excess of Loss Contract or Retrocession thereof issued in the name and for the account of a Lloyd's Syndicate or London Market Company operating predominantly on the fringe of the Lloyd's Market protecting their whole account or a complete section of their account other than Excess of Loss Reinsurance Contracts or Retrocessions thereof protecting solely a Motor Portfolio of business. The Reinsured to be sole judge as to which Companies come within the scope of this exclusion.

CONDITIONS APPLICABLE TO SECTION "B" ONLY

EXCLUSIONS This Section does not cover:

Liability arising out of any Excess of Loss Contracts or Retrocessions thereof issued in the name and for the account of a Company or Lloyd's Syndicate protecting their whole account or a complete section of their account, other than Excess of Loss Reinsurance Contracts or Retrocessions thereof protecting solely a Motor Portfolio of business. It is hereby understood and agreed that notwithstanding anything contained herein to the contrary this Section shall protect the Reinsurer in respect of all Physical Damage losses on Boiler and Machine Policies and Bankers' Policies, notwithstanding that such losses may arise under Excess of Loss Contracts or Retrocessions issued in the name and for the account of a Company.

Off Shore Drilling Rigs and/or Barges and/or Platforms.

SPECIAL CONDITION

It is agreed to extend this Reinsurance to cover Automobile Physical Damage when written in conjunction with Automobile Liability excluding, however, losses occurring in United States of America and/or Canada. It is understood that the Reinsurer's interest in such business accepted under Excess of Loss Contracts of Companies other than fringe Market Companies shall be covered hereunder notwithstanding the exclusion contained herein.

NUCLEAR INCIDENT EXCLUSION CLAUSE--PHYSICAL DAMAGE AND LIABILITY

(BOILER AND MACHINERY POLICIES)--REINSURANCE.

(Approved by Lloyd's Underwriters' Non-Marine Association)

(1) This reinsurance does not cover any loss or liability accruing to the Reassured as a member of, or subscriber to, any association of insurers or reinsurers formed for the purpose of covering nuclear energy risks or as a direct or indirect reinsurer of any such member, subscriber or association.

(2) Without in any way restricting the operation of paragraph (1) of this Clause it is understood and agreed that for all purposes of this reinsurance all original Boiler and Machinery Insurance or Reinsurance contracts of the Reassured shall be deemed to include the following provisions of this paragraph;

This Policy does not apply to loss, whether it be direct or indirect, proximate or remote

- (a) from an Accident caused directly or indirectly by nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled; or
- (b) from nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, caused directly or indirectly by, contributed to or aggravated by an Accident.

(3) However, it is agreed that loss arising out of the use of Radioactive Isotopes in any form is not hereby excluded from reinsurance protection.

(4) Without in any way restricting the operation of paragraph (1) hereof, it is understood and agreed that policies issued by the Reassured effective on or before 31st December, 1958, shall be free from the application of the other provisions of this Clause until expiry date or 31st December, 1961, whichever first occurs, whereupon all the provisions of this Clause shall apply.

29/10/59

N.M.A. 1251.

U.S.A.

**NUCLEAR INCIDENT EXCLUSION CLAUSE—PHYSICAL DAMAGE AND LIABILITY
(BOILER AND MACHINERY POLICIES)—REINSURANCE.**

(1) This reinsurance does not cover any loss or liability accruing to the Reassured as a member of, or subscriber to, any association of insurers or reinsurers formed for the purpose of covering nuclear energy risks or as a direct or indirect reinsurer of any such member, subscriber or association.

(2) Without in any way restricting the operation of paragraph (1) of this Clause it is understood and agreed that for all purposes of this reinsurance all original Boiler and Machinery Insurance or Reinsurance contracts of the Reassured shall be deemed to include the following provisions of this paragraph;

This Policy does not apply to "loss", whether it be direct or indirect, proximate or remote

- (a) from an Accident caused directly or indirectly by nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled; or
- (b) from nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, caused directly or indirectly by, contributed to or aggravated by an Accident.

(3) However, it is agreed that loss arising out of the use of Radioactive Isotopes in any form is not hereby excluded from reinsurance protection.

(4) Without in any way restricting the operation of paragraph (1) hereof, it is understood and agreed that

- (a) all policies issued by the Reassured effective on or before 30th April, 1958, shall be free from the application of the other provisions of this Clause until expiry date or 30th April, 1961, whichever first occurs, whereupon all the provisions of this Clause shall apply,
- (b) with respect to any risk located in Canada policies issued by the Reassured effective on or before 30th June, 1958, shall be free from the application of the other provisions of this Clause until expiry date or 30th June, 1961, whichever first occurs, whereupon all the provisions of this Clause shall apply.

23/6/58

N.M.A. 1166.

NUCLEAR INCIDENT EXCLUSION CLAUSE—PHYSICAL DAMAGE—REINSURANCE.

(Approved by Lloyd's Underwriters' Non-Marine Association)

1. This Reinsurance does not cover any loss or liability accruing to the Reassured, directly or indirectly, and whether as Insurer or Reinsurer, from any Pool of Insurers or Reinsurers formed for the purpose of covering Atomic or Nuclear Energy risks.

2. Without in any way restricting the operation of paragraph 1 of this clause, this Reinsurance does not cover any loss or liability accruing to the Reassured, directly or indirectly, and whether as Insurer or Reinsurer, from any insurance against Physical Damage (including business interruption or consequential loss arising out of such Physical Damage) to:

- (1) Nuclear reactor power plants including all auxiliary property on the site, or
- (2) Any other nuclear reactor installation, including laboratories handling radioactive materials in connection with reactor installations, and critical facilities as such, or
- (3) Installations for fabricating complete fuel elements or for processing substantial quantities of prescribed substances, and for reprocessing, salvaging, chemically separating, storing or disposing of spent nuclear fuel or waste materials, or
- (4) Installations other than those listed in (3) above using substantial quantities of radioactive isotopes or other products of nuclear fission.

3. Without in any way restricting the operation of paragraphs 1 and 2 of this clause, this Reinsurance does not cover any loss or liability by radioactive contamination accruing to the Reassured, directly or indirectly, and whether as Insurer or Reinsurer, from any insurance on property which is on the same site as a nuclear reactor power plant or other nuclear installation and which normally would be insured therewith, except that this paragraph 3 shall not operate

- (a) where the Reassured does not have knowledge of such nuclear reactor power plant or nuclear installation, or
- (b) where the said insurance contains a provision excluding coverage for damage to property caused by or resulting from radioactive contamination, however caused.

4. Without in any way restricting the operation of paragraphs 1, 2 and 3 of this clause, this Reinsurance does not cover any loss or liability by radioactive contamination accruing to the Reassured, directly or indirectly, and whether as Insurer or Reinsurer, when such radioactive contamination is a named hazard specifically insured against.

5. This clause shall not extend to risks using radioactive isotopes in any form where the nuclear exposure is not considered by the Reassured to be the primary hazard.

6. The term "prescribed substances" shall have the meaning given it by the Atomic Energy Control Act R.S.C. 1946 c.37 or by any law amendatory thereof.

7. Reassured to be sole judge of what constitutes:

- (a) substantial quantities, and
- (b) the extent of installation, plant or site.

NOTE:—Without in any way restricting the operation of paragraph 1 of this clause it is agreed that policies issued by the Reassured effective on or before 31st December 1958 shall be free from the application of the other provisions of this clause until expiry date or 31st December 1961, whichever first occurs, whereupon all the provisions of this clause shall apply.

29/10/59

N.M.A. 124B

NUCLEAR INCIDENT EXCLUSION CLAUSE—PHYSICAL DAMAGE—REINSURANCE

1. This Reinsurance does not cover any loss or liability accruing to the Reassured, directly or indirectly and whether as Insurer or Reinsurer, from any Pool of Insurers or Reinsurers formed for the purpose of covering Atomic or Nuclear Energy risks.

2. Without in any way restricting the operation of paragraph (1) of this Clause, this Reinsurance does not cover any loss or liability accruing to the Reassured, directly or indirectly and whether as Insurer or Reinsurer, from any insurance against Physical Damage (including business interruption or consequential loss arising out of such Physical Damage) to:

- I. Nuclear reactor power plants including all auxiliary property on the site, or
- II. Any other nuclear reactor installation, including laboratories handling radioactive materials in connection with reactor installations, and "critical facilities" as such, or
- III. Installations for fabricating complete fuel elements or for processing substantial quantities of "special nuclear material", and for reprocessing, salvaging, chemically separating, storing or disposing of "spent" nuclear fuel or waste materials, or
- IV. Installations other than those listed in paragraph (2) III above using substantial quantities of radioactive isotopes or other products of nuclear fission.

3. Without in any way restricting the operations of paragraphs (1) and (2) hereof, this Reinsurance does not cover any loss or liability by radioactive contamination accruing to the Reassured, directly or indirectly, and whether as Insurer or Reinsurer, from any insurance on property which is on the same site as a nuclear reactor power plant or other nuclear installation and which normally would be insured therewith except that this paragraph (3) shall not operate

- (a) where Reassured does not have knowledge of such nuclear reactor power plant or nuclear installation, or
- (b) where said insurance contains a provision excluding coverage for damage to property caused by or resulting from radioactive contamination, however caused. However on and after 1st January 1960 this sub-paragraph (b) shall only apply provided the said radioactive contamination exclusion provision has been approved by the Governmental Authority having jurisdiction thereof.

4. Without in any way restricting the operations of paragraphs (1), (2) and (3) hereof, this Reinsurance does not cover any loss or liability by radioactive contamination accruing to the Reassured, directly or indirectly, and whether as Insurer or Reinsurer, when such radioactive contamination is a named hazard specifically insured against.

5. It is understood and agreed that this Clause shall not extend to risks using radioactive isotopes in any form where the nuclear exposure is not considered by the Reassured to be the primary hazard.

6. The term "special nuclear material" shall have the meaning given it in the Atomic Energy Act of 1954 or by any law amendatory thereof.

7. Reassured to be sole judge of what constitutes:

- (a) substantial quantities, and
- (b) the extent of installation, plant or site.

Note.—Without in any way restricting the operation of paragraph (1) hereof, it is understood and agreed that

- (a) all policies issued by the Reassured on or before 31st December 1957 shall be free from the application of the other provisions of this Clause until expiry date or 31st December 1960 whichever first occurs whereupon all the provisions of this Clause shall apply.
- (b) with respect to any risk located in Canada policies issued by the Reassured on or before 31st December 1958 shall be free from the application of the other provisions of this Clause until expiry date or 31st December 1960 whichever first occurs whereupon all the provisions of this Clause shall apply.

NUCLEAR INCIDENT EXCLUSION CLAUSE—LIABILITY—REINSURANCE*(Approved by Lloyd's Underwriters' Non-Marine Association)*

1. This reinsurance does not cover any loss or liability accruing to the Reassured as a member of, or subscriber to, any association of insurers or reinsurers formed for the purpose of covering nuclear energy risks or as a direct or indirect reinsurer of any such member, subscriber or association.

2. Without in any way restricting the operation of paragraph 1 of this clause it is agreed that for all purposes of this reinsurance all the original liability contracts of the Reassured, whether new, renewal or replacement, of the following classes, namely,

Personal Liability,
Farmers Liability,
Storekeepers Liability,

which become effective on or after 31st December 1962, shall be deemed to include, from their inception dates and thereafter, the following provision:—

Limited Exclusion Provision.

This Policy does not apply to injury, sickness, disease, death, damage or destruction with respect to which an Insured under this Policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is named in such contract or not and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability.

With respect to property, loss of use of such property shall be deemed to be damage to or destruction of property.

3. Without in any way restricting the operation of paragraph 1 of this clause it is agreed that for all purposes of this reinsurance all the original liability contracts of the Reassured, whether new, renewal or replacement, of any class whatsoever (other than Personal Liability, Farmers Liability, Storekeepers Liability or Automobile Liability contracts), which become effective on or after 31st December 1962, shall be deemed to include, from their inception dates and thereafter, the following provision:—

Broad Exclusion Provision.

This Policy does not apply to injury, sickness, disease, death, damage or destruction

- (a) with respect to which an Insured under this Policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is named in such contract or not and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (b) resulting directly or indirectly from the nuclear energy hazard arising from:
- (1) the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an Insured;
 - (2) the furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; and
 - (3) the transportation, consumption, possession, handling, disposal or use of radioactive material (other than radioisotopes away from a nuclear facility) sold, handled, used or distributed by an Insured.

As used in this Endorsement:

- (i) The term "nuclear energy hazard" means the radioactive, toxic, explosive or other hazardous properties of radioactive material;
- (ii) The term "radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances that the Atomic Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
- (iii) The term "nuclear facility" means:
 - (a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - (b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
 - (c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium and uranium or any one or more of them if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
- (iv) With respect to property, loss of use of such property shall be deemed to be damage to or destruction of property.

NUCLEAR INCIDENT EXCLUSION CLAUSE—LIABILITY—REINSURANCE

(Approved by Lloyd's Underwriters' Non-Marine Association)

(1) This reinsurance does not cover any loss or liability accruing to the Reassured as a member of, or subscriber to, any association of insurers or reinsurers formed for the purpose of covering nuclear energy risks or as a direct or indirect reinsurer of any such member, subscriber or association.

(2) Without in any way restricting the operation of paragraph (1) of this Clause it is understood and agreed that for all purposes of this reinsurance all the original policies of the Reassured (new, renewal and replacement) of the classes specified in Clause II of this paragraph (2) from the time specified in Clause III in this paragraph (2) shall be deemed to include the following provision (specified as the Limited Exclusion Provision):

Limited Exclusion Provision.*

- I. It is agreed that the policy does not apply under any Liability coverage, to *injury, sickness, disease, death or destruction* with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability.
- II. Family Automobile Policies (liability only), Special Automobile Policies (private passenger automobiles, liability only), Farmers Comprehensive Personal Liability Policies (liability only), Comprehensive Personal Liability Policies (liability only) or policies of a similar nature; and the liability portion of combination forms related to the four classes of policies stated above, such as the Comprehensive Dwelling Policy and the applicable types of Homeowners Policies.
- III. The inception dates and thereafter of all original policies as described in II above, whether new, renewal or replacement, being policies which either
- become effective on or after 1st May, 1960, or
 - become effective before that date and contain the Limited Exclusion Provision set out above;
- provided this paragraph (2) shall not be applicable to Family Automobile Policies, Special Automobile Policies, or policies or combination policies of a similar nature, issued by the Reassured on New York risks, until 90 days following approval of the Limited Exclusion Provision by the Governmental Authority having jurisdiction thereof.
- (3) Except for those classes of policies specified in Clause II of paragraph (2) and without in any way restricting the operation of paragraph (1) of this Clause, it is understood and agreed that for all purposes of this reinsurance the original liability policies of the Reassured (new, renewal and replacement) affording the following coverages:
- Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability)
- shall be deemed to include, with respect to such coverages, from the time specified in Clause V of this paragraph (3), the following provision (specified as the Broad Exclusion Provision):

Broad Exclusion Provision.*

It is agreed that the policy does not apply:

- I. Under any Liability Coverage, to *injury, sickness, disease, death or destruction* bodily injury or property damage
- with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to *immediate medical or surgical relief*, to expenses incurred with respect to *first aid*
- to *bodily injury, sickness, disease or death* resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to *injury, sickness, disease, death or destruction* bodily injury or property damage resulting from the hazardous properties of nuclear material, if
- the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - the *injury, sickness, disease, death or destruction* arises out of the furnishing of *bodily injury or property damage* by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories, or possessions or Canada, this exclusion (c) applies only to *injury to or destruction of property at such nuclear facility*, property damage to such nuclear facility and any property thereat.
- IV. As used in this endorsement:
- "hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or byproduct material; "source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means
- any nuclear reactor,
 - any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
 - any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
 - any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,
- and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- With respect to *injury to or destruction of property*, the word "injury" or "destruction" "property damage" includes all forms of radioactive contamination of property.
- V. The inception dates and thereafter of all original policies affording coverages specified in this paragraph (3), whether new, renewal or replacement, being policies which become effective on or after 1st May, 1960, provided this paragraph (3) shall not be applicable to
- Garage and Automobile Policies issued by the Reassured on New York risks, or
 - statutory liability insurance required under Chapter 90, General Laws of Massachusetts,
- until 90 days following approval of the Broad Exclusion Provision by the Governmental Authority having jurisdiction thereof.

(4) Without in any way restricting the operation of paragraph (1) of this Clause, it is understood and agreed that paragraphs (2) and (3) above are not applicable to original liability policies of the Reassured in Canada and that with respect to such policies this Clause shall be deemed to include the Nuclear Energy Liability Exclusion Provisions adopted by the Canadian Underwriters' Association or the Independent Insurance Conference of Canada.

*NOTE. The words printed in italics in the Limited Exclusion Provision and in the Broad Exclusion Provision shall apply only in relation to original liability policies which include a Limited Exclusion Provision or a Broad Exclusion Provision containing those words.

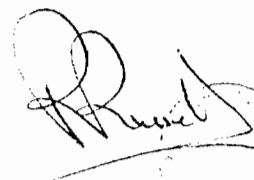
SIGNING SCHEDULE NO. 39/05004/00
attaching to and forming part of
the Contract of Reinsurance
issued to

H.S. WEAVERS (UNDERWRITING) AGENCIES LIMITED

SIGNED in duplicate on behalf of the undermentioned Reinsurers
for their own part and not for any other

THE HOME INSURANCE COMPANY LIMITED
REF: 7562350/1188

In respect of their 1.99 % participation of Limits.

 9/6/75

Attaching to and forming part of Policy No. 11741

This reinsurance is to indemnify and bear the consequences Agencies Limited on behalf of the Company and its Agencies (to which they mean comprising their No. 1, 2, 3, 4 and 5 Groups (hereinafter referred to as "the Reinsured") in respect of all losses occurring anywhere in the world incurred by them under policies and/or contracts of Insurance and/or Reinsurance covering:

Section "A" hereof

All Casualty business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reinsured as Casualty business.

It is hereby understood and agreed that this section shall not cover any loss caused by or resulting from all risks of Physical Loss or Damage unless such loss be incurred by the Reinsured under a policy or contract covering Third Party and/or Common Law Liability which liability shall be the proximate cause of the loss to them.

Section "B" hereof

All Risks of Physical Loss or Damage or losses consequent therefrom when such losses are not recoverable on Section "A" hereof under all Casualty Business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reinsured as Casualty business.

Subject, however, to the following terms and conditions:

INSURING CLAUSE

This reinsurance is to pay up to £250,000 or US. or C\$700,000 each and every loss inclusive of legal costs over all Groups combined, excess of

i) In respect of losses occurring on policies and/or contracts attaching prior to 1st April 1975, the following amounts for each Group individually

Group 1, £35,714 or US. or C\$100,000 ultimate nett loss each and every loss inclusive of legal costs.

Group 2, £21,429 or US. or C\$60,000 ultimate nett loss each and every loss inclusive of legal costs.

Group 3, £14,286 or US. or C\$40,000 ultimate nett loss each and every loss inclusive of legal costs.

Group 4, £35,714 or US. or C\$100,000 ultimate nett loss each and every loss inclusive of legal costs.

Group 5, £35,714 or US. or C\$100,000 ultimate nett loss each and every loss inclusive of legal costs.

\$107,142 or 10% or \$340,000 ultimate nett loss each and every loss inclusive of interest.

In the event of a loss occurring which involves policies and/or contracts that attached both prior to, and on or after 1st April 1975, this reinsurance is to pay excess of the amounts shown under section (i) and (ii) of this clause combined, the amount for each section being reduced in proportion to the amount of loss relevant to each section that bears to the total loss to the Reinsured; provided always that the amount for each individual group in excess of which this reinsurance is to pay shall not in any event exceed the amount stated for each individual group in section (i) of this clause.

PERIOD

This reinsurance covers all losses as herein defined occurring during the period commencing with midnight 30th December, 1975 and ending with midnight 30th December, 1976 Local Standard Time at the place where the loss occurs.

In the event of this reinsurance not being renewed, it is agreed to indemnify the Reinsured for losses occurring during the period of twelve (12) months from the date of non-renewal in respect of policies and/or contracts and/or covers written on or prior to such date of non-renewal. It is further agreed that this reinsurance may be extended for such further period or periods of "run off" if required by the Reinsured.

EXTENSION OF PROTECTION CLAUSE

If this reinsurance should expire whilst a loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event is in progress, it is agreed that subject to the other conditions of this reinsurance, the Reinsurers shall pay their proportion of the entire loss or damage, provided that the loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event commenced before the time of expiration of this reinsurance.

LOSSES DISCOVERED OR CLAIMS MADE CLAUSE

It is understood and agreed that as regards losses arising under policies and/or contracts covering on a "Losses Discovered" or "Claims Made" basis, that is to say policies and/or contracts in which the date of discovery of the loss or the date the claim is first made against the Assured or is first notified to Underwriters determines under which policy or contract the loss is collectible, such losses are covered hereunder and the date of discovery of such loss or the date such claim is made or first notified shall be deemed to be the date of the loss occurrence for the purposes of this Reinsurance provide that the date of the discovery of the loss or the date the claim is made or first notified falls within the period of this Reinsurance.

For the purposes of the foregoing the date of the first discovery of a loss occurrence or the date the claim is first made against an Assured or first notified to Underwriters shall be the date up to which the entire loss and the Reinsurers shall be liable for their

ULTIMATE NETT LOSS CLAUSE

The term "Ultimate Nett Loss" shall mean the sum actually paid by the Reinsured in settlement of losses or liability after making deductions for all recoveries, all salvages and all claims upon other reinsurances, whether collected or not, and shall include all adjustment expenses arising from the settlement of claims other than the salaries of employees and the office expenses of the Reinsured. All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this reinsurance shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto. Provided always that nothing in this clause shall be construed to mean that losses under this reinsurance are not recoverable until the Reinsured's Ultimate Nett Loss has been ascertained. It is understood and agreed that recoveries under the Reinsured's underlying Casualty Excess of Loss protection shall inure to their sole benefit and shall not be taken into account in calculating their Ultimate Nett Loss.

DEFINITION OF "EACH AND EVERY LOSS"

For the purpose of this reinsurance the term "each and every loss" shall be understood to mean each and every loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event.

PREMIUM CLAUSE

The premium for this reinsurance shall be calculated at 10% of the Reinsured's Nett Premium Income on the business protected "accounted for" during the period of this Reinsurance, subject to a Deposit Premium of US\$575,000 payable in equal quarterly instalments in advance. To be adjusted as soon as practicable after expiry.

In order to ascertain, if an adjustment is necessary Sterling shall be converted to Dollars using the mean rates of exchange ruling in London at inception of this reinsurance, and such adjustment shall be paid in Sterling, United States Dollars, and Canadian Dollars in the same ratio as the Reinsured's Nett Premium Income in these currencies bears to the total Nett Premium Income.

The term "Nett Premium Income" shall be understood to mean gross premiums less commission, brokerage and profit commission, cancellations and return premiums and less premiums given off by way of reinsurance, recoveries under which inure to the benefit of the Reinsurers hereon, and after deduction of premium in respect of business excluded from the protection of this reinsurance.

CONTINGENT

At the close of this Reinsurance (being Midnight 30th December 1976,) the Reinsurers agree to return to the Reinsured 66 2/3% of the premium earned hereon, less paid claims and outstanding claims advised for the same period.

The return of premium so calculated shall be adjusted annually

CURRENCY CONVERSION CLAUSE

(i) Not to apply to United States or Canadian dollars

Losses, if any, in foreign or colonial currencies shall be converted into Sterling at the rate of exchange ruling in London on the date of the settlement of the original loss.

(ii) Losses involving payment in both United States Dollars and/or Canadian Dollars and other currencies

In the event of the Reinsured becoming involved in a loss requiring payment in Sterling and United States Dollars and/or Canadian Dollars, the excess and indemnity hereunder shall be apportioned in the proportion that the amount of each currency bears to the total amount of the loss sustained by the Reinsured. For the purpose of calculating the excess and indemnity hereunder the amounts involved shall be reduced to a common currency by considering U.S. or C\$2.80 = to () Sterling.

REINSTATEMENT CLAUSE

In the event of loss or losses occurring under this reinsurance it is hereby mutually agreed automatically to reinstate this reinsurance to its full amount from the time of the occurrence of such loss or losses until expiry of this reinsurance, such reinstatements to be unlimited during the currency hereof, nevertheless Reinsurers' liability shall be limited to the amount of indemnity each and every loss as set out in the Insuring Clause.

NUCLEAR INCIDENT EXCLUSION CLAUSE

(i) Applicable to American Reinsurers only.

(a) Other than U.S.A. and Canadian business.

This reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any association of Insurers or Reinsurers formed for the purpose of covering nuclear energy risks or as direct or indirect reinsurers of any such member, subscriber or association or any placings of a similar nature which are effected on the basis of Underwriters accepting nett absolutely lines and undertaking not to reinsure.

(b) U.S.A. and Canadian business.

It is understood and agreed that the "Nuclear Incident Exclusion Clauses - Liability Reinsurance, Physical Damage Reinsurance and Boiler and Machinery Reinsurance" as attached hereto shall be deemed to form an integral part hereof.

(ii) Applicable to all other Reinsurers

This reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any association of Insurers or Reinsurers formed for the purpose of covering nuclear energy risks or as direct or indirect reinsurers of any such member, subscriber or association or any placings of a similar nature which are effected on the basis of Underwriters accepting nett absolutely

INSPECTION OF RECORDS

No further partitions shall be prepared by the Reinsurers but the books of the Reinsured, as far as they concern the Insurances or reinsurances falling within the scope of this reinsurance, shall be open to the inspection of an authorized representative of the Reinsurers at any reasonable time during the continuance of this reinsurance or of any liability hereunder.

AMENDMENTS AND ALTERATIONS

It is hereby understood and agreed that any amendments and/or alterations to this reinsurance that are agreed, either by correspondence and/or Broker's Slip endorsements, shall be automatically binding hereon and shall be considered to form an integral part hereof, subject nevertheless to the issue of a Contract Addendum, if specially requested by the Reinsurers.

NOTICE OF LOSS CLAUSE

All loss settlements made by the Reinsured, including compromised settlements, shall be unconditionally binding upon Reinsurers provided such settlements are within the conditions of the original policies and/or contracts and within the terms of this reinsurance, and amounts falling to the share of the Reinsurers shall be payable by them upon reasonable evidence of the amount paid being given by the Reinsured.

In the event of a claim arising hereunder notice shall be given to the Reinsurers through BLAND PAYNE REINSURANCE BROKERS LIMITED as soon as practicable, and all papers in connection therewith shall be at the command of the Reinsurers on this reinsurance or parties designated by them for inspection.

REINSURANCE CLAUSE

This reinsurance shall be deemed to be subject to the same terms, clauses and conditions as the original policies and/or contracts as far as they may be applicable hereto and shall pay as may be paid thereon, but subject nevertheless to the terms and conditions of this reinsurance.

ERRORS AND OMISSIONS CLAUSE

It is hereby declared and agreed that any inadvertent delays, omissions or errors made in connection with this reinsurance shall not be held to relieve either of the parties hereto from any liability which would have attached to them hereunder if such delay, omission or error had not occurred provided that rectification is made upon discovery. It is further agreed that in all things coming within the scope of this reinsurance the Reinsurers shall share to the extent of their interest the fortunes of the Reinsured.

ARBITRATION CLAUSE

All disputes or differences between the parties or their respective Successors, Executors, Administrators or Assigns, or between one of them and the Successors, Executors, Administrators or Assigns of the other, arising out of the construction and/or performance of the present reinsurance shall be referred to two Arbitrators, one to be chosen by each party, and such Arbitrators shall first choose an Empire before entering upon the reference. If either of the parties

This Reinsurance shall be deemed a submission to arbitration within the meaning of the Arbitration Act for the time being in force, and the provisions thereof shall apply hereto except that the Arbitrators shall, in addition to any powers conferred upon them by the said Act, have power to call for and receive and act upon such evidence or information, oral or documentary, whether strictly admissible as evidence or not, as they may think proper.

The Arbitrators and the Umpire shall interpret this Reinsurance as an honourable engagement and they shall make their award with a view to effecting the general purpose of this Reinsurance in a reasonable manner, rather than in accordance with a literal interpretation of the language; the true intention of the parties being that the Reinsured shall follow the fortunes of the Reinsured.

The Arbitration shall take place in LONDON and the costs thereof shall be borne by the parties thereto as may be directed by the Arbitrators or the Umpire, as the case may be.

This Reinsurance shall be governed by and construed in accordance with the Law of England.

CONDITIONS APPLICABLE TO SECTION "A" ONLY

AGGREGATE EXTENSION CLAUSE

As regards liability incurred by the Reinsured for losses on risks covering on an aggregate basis, this reinsurance shall protect the Reinsured excess of the amounts as provided for herein in the aggregate any one such aggregate loss up to the limit of indemnity as provided for herein in all any one such aggregate loss.

Notwithstanding that this reinsurance is effected on a "losses occurring during the period" basis, all aggregate policies or contracts coming within the scope of this protection shall be covered on a "risks incepting during the period" basis. Furthermore, where an aggregate policy or contract is issued for limits relevant to an overall period greater than 12 months with an inception date during the period of this reinsurance then such policy or contract shall be covered hereunder for the whole of its period notwithstanding any annual resignation. Long term policy periods with annual limits are to be treated as each annual period being a separate policy or contract with the annual date being regarded as the inception date. It is understood and agreed that the inception date of each declaration or "signing off" a contract shall govern its date of attachment to this reinsurance.

It is understood and agreed that policies or contracts to which such aggregate risks attach, effected directly and/or by way of reinsurance in a series of "layers" (whether immediately excess of each other or otherwise) shall be deemed to be one aggregate risk for the purpose of this reinsurance provided such policies and/or contracts have inception dates during the period of this reinsurance.

Furthermore, in circumstances in which the Insured are involved in a series of events or occurrences originating from one cause and involving more than one policy or contract issued to different Insured or Reinsureds, then, in such circumstances, a series of policies or contracts so issued shall be deemed to constitute one aggregate loss for the purpose of this reinsurance, provided that each policy or contract has inception during the period of this reinsurance. In all circumstances in which the policy or policies of more than one Insured are involved in an aggregation of losses, only that part of the aggregation concerned with and originating from the one cause shall be considered as being covered by this reinsurance in respect of each and every loss etcetera.

Notwithstanding the foregoing the Reinsured, as an alternative, have the option to extract from an aggregate policy or contract the amount of the loss sustained by them arising from any one accident and/or series of accidents arising out of one event in order that such loss can be added to the Reinsured's losses from accidents or series of accidents arising from the same event on other policies or contracts provided that the loss occurs during the period of this reinsurance.

Notwithstanding anything herein contained to the contrary, it is understood and agreed that Excess of Loss Reinsurances written by the Reinsured on an aggregate basis issued in the name and for the account of a Lloyd's Syndicate or Insurance or Reinsurance Company protecting their whole account or a section of their account, shall not be covered hereunder on an aggregate basis. The foregoing exclusion shall not apply to aggregate liability assumed by the Reinsured on an "Each and every loss" contract containing an Aggregate Extension Clause subject to the exclusion contained in the Exclusion Clause of this reinsurance.

For the purpose of paragraphs 4 and 5 of this Clause, the amount of a loss from one accident or series of accidents arising out of one event or cause on an aggregate policy or contract shall be deemed to be that percentage of the aggregate loss to the Reinsured on the original policy or contract that the total loss from the particular accident bears to the total aggregate losses to the original Insured or Reinsured on the business protected.

In the event of the Reinsured being involved in a loss from one cause as referred to above and such loss arises from more than one policy and/or contract and such policies and/or contracts attach in different years it is hereby understood and agreed that the amount of the excess to be retained by the Reinsured under this reinsurance shall be reduced to that percentage of the excess set out in the Insuring Clause which the Reinsured's settled losses on the original policies and/or contracts incepting during each annual period commencing on 30th December bears to the total of the Reinsured's settled losses arising out of all policies and/or contracts contributing to the loss. The indemnity and/or recovery hereunder shall likewise be arrived at in the same manner.

EXCESS OF LOSS EXCLUSION CLAUSE

This section excludes liability arising out of any Excess of Loss Contract or retrocession thereof issued in the name and for the account of a Lloyd's Syndicate or London Market Company operating predominantly on the fringe of the Lloyd's Market protecting their whole account or a complete section of their account other than Excess of Loss Reinsurance Contracts or retrocessions thereof protecting liability

CONDITIONS APPLICABLE TO ALL POLICIES

EXCLUSIONS: This section does not cover:

liability arising out of any known or unknown defect or retrocession on thereof issued in the name and for the account of a company or Lloyd's Syndicate protecting their whole account or a complete section of their account, other than Excess of Loss Reinsurance Contracts or retrocessions thereof protecting solely a Motor Portfolio of business.

It is hereby understood and agreed that notwithstanding anything contained herein to the contrary this section shall protect the Reinsured in respect of all Physical Damage losses on Boiler and Machinery Policies and Bankers' Policies, notwithstanding that such losses may arise under Excess of Loss Contracts or retrocessions issued in the name and for the account of a Company.

Off-Shore Drilling Risks and/or Barges and/or Platforms.

SPECIAL CONDITION

It is agreed to extend this reinsurance to cover Automobile Physical Damage when written in conjunction with Automobile Liability excluding, however, losses occurring in United States of America and/or Canada. It is understood that the Reinsured's interest in such business accepted under Excess of Loss Contracts of Companies other than fringe Market Companies shall be covered hereunder notwithstanding the exclusion contained herein.

CONTRACT NO. EG99E2

CONTRACT OF REINSURANCE

between

H. S. WEAVERS (UNDERWRITING) AGENCIES LIMITED

and

Certain Insurance Companies and Reinsurance Companies
(hereinafter referred to as the "Reinsurers")

This Reinsurance is to indemnify H. S. Weavers (Underwriting) Agencies Limited on behalf of the Company and/or Companies for which they underwrite comprising their No. 1, 2, 3, 4 & 6 Groups (hereinafter referred to as the "Reinsured"), in respect of all losses occurring anywhere in the World incurred by them under policies and/or contracts of Insurance and/or Reinsurance covering:

Section "A" hereof

All Casualty business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under Contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reinsured as Casualty business.

It is hereby understood and agreed that this Section shall not cover any loss caused by or resulting from all risks of Physical Loss or Damage unless such loss be incurred by the Reinsured under a policy or contract covering Third Party and/or Common Law Liability which liability shall be the proximate cause of the loss to them.

Section "B" hereof

All Risks of Physical Loss or Damage or losses consequent therefrom when such losses are not recoverable on Section "A" hereof, under all Casualty Business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under Contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reinsured as Casualty business.

Subject, however, to the following terms and conditions:

CONTRACT NO. EG99E2

INSURING CLAUSE

This Reinsurance is to pay up to £250,000 or U.S. or Can. \$700,000 each and every loss inclusive of legal costs over all Groups combined, excess of an ultimate nett loss of £785,714 or U.S. or Can. \$2,200,000 each and every loss inclusive of legal costs over all Groups combined, which is in turn excess of the following amounts

- i) In respect of losses occurring on policies and/or Contracts attaching prior to 1st April, 1975, the following amounts for each Group individually
- Group 1 £35,714 or U.S. or Can. \$100,000 ultimate nett loss each and every loss inclusive of legal costs.
 - Group 2 £21,429 or U.S. or Can. \$ 60,000 ultimate nett loss each and every loss inclusive of legal costs.
 - Group 3 £14,285 or U.S. or Can. \$ 40,000 ultimate nett loss each and every loss inclusive of legal costs.
 - Group 4 £35,714 or U.S. or Can. \$100,000 ultimate nett loss each and every loss inclusive of legal costs.
 - Group 6 £35,714 or U.S. or Can. \$100,000 ultimate nett loss each and every loss inclusive of legal costs.
- ii) In respect of losses occurring on policies and/or Contracts attaching on or after 1st April, 1975, the following amounts for all Groups combined
- £107,143 or U.S. or Can. \$300,000 ultimate nett loss each and every loss inclusive of legal costs.

In the event of a loss occurring which involves policies and/or Contracts that attached both prior to, and on or after 1st April, 1975, this reinsurance is to pay excess of the amounts shown under sections (i) and (ii) of this clause combined, the amount for each section being reduced in proportion to the amount of loss relevant to each section that bears to the total loss to the Reinsured; provided always that the amount for each individual group in excess of which this reinsurance is to pay shall not in any event exceed the amount stated for each individual group in section (i) of this clause.

WARRANTY

Warranted \$62,500 ultimate nett loss each and every loss retained for nett account excess of \$700,000 ultimate nett loss each and every loss which is in turn excess of specific retentions for Groups 1-4 & 6 as specified in the "Insuring Clause".

CONTRACT NO. EG99E2

PERIOD

This Reinsurance covers all losses as herein defined occurring during the period commencing with the 1st April, 1975 and ending with the 31st March, 1978, both days inclusive, Local Standard Time at the place where the loss occurs.

In the event of this Reinsurance not being renewed, it is agreed to indemnify the Reinsured for losses occurring during the period of 12 months from 31st March, 1978 in respect of policies and/or contracts and/or covers written on or prior to 31st March, 1978 at terms to be agreed.

It is understood and agreed that the Reinsured must elect to accept the "run-off" provision before the effective date if such "run-off" is required. It being understood and agreed that each annual period shall be deemed a separate Reinsurance.

EXTENSION OF PROTECTION CLAUSE

If this Reinsurance should expire whilst a loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event is in progress, it is agreed that subject to the other conditions of this Reinsurance, the Reinsurers shall pay their proportion of the entire loss or damage, provided that the loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event commenced before the time of expiration of this Reinsurance.

LOSSES DISCOVERED OR CLAIMS MADE CLAUSE

It is understood and agreed that as regards losses arising under policies and/or contracts covering on a "Losses Discovered" or "Claims Made" basis, that is to say policies and/or contracts in which the date of discovery of the loss or the date the claim is first made against the Assured or is first notified to Underwriters determines under which policy or contract the loss is collectible, such losses are covered hereunder and the date of discovery of such loss or the date such claim is made or first notified shall be deemed to be the date of the loss occurrence for the purposes of this Reinsurance provided that the date of the discovery of the loss or the date the claim is made or first notified falls within the period of this Reinsurance.

For the purposes of the foregoing the date of the first discovery of a loss occurrence or the date the claim is first made against an Assured or first notified to Underwriters shall be the date applicable to the entire loss and the Reinsurers shall be liable for their proportion of the entire loss and/or claim irrespective of the expiry date of this Reinsurance provided that such first discovery date or first date such claim is made or notified falls within the period

CONTRACT NO. EG99E2

ULTIMATE NETT LOSS CLAUSE

The term "Ultimate Nett Loss" shall mean the sum actually paid by the Reinsured in settlement of losses or liability after making deductions for all recoveries, all salvages and all claims upon other reinsurances, whether collected or not, and shall include all adjustment expenses arising from the settlement of claims other than the salaries of employees and the office expenses of the Reinsured. All salvages, recoveries or payments recovered or received subsequent to a loss settlement under this Reinsurance shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.

Provided always that nothing in this Clause shall be construed to mean that losses under this Reinsurance are not recoverable until the Reinsured's Ultimate Nett Loss has been ascertained.

It is understood and agreed that recoveries under the Reinsured's underlying Casualty Excess of Loss protection shall inure to their sole benefit and shall not be taken into account in calculating their Ultimate Nett Loss.

DEFINITION OF "EACH AND EVERY LOSS"

For the purpose of this Reinsurance the term "each and every loss" shall be understood to mean each and every loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event.

PREMIUM CLAUSE

The premium for this Reinsurance shall be calculated at 2.40% of the Reinsured's Nett Premium Income on the business protected "accounted for" during the period of this Reinsurance, subject to an Annual Minimum and Deposit Premium of U.S.\$215,000 payable in four equal quarterly instalments in advance. To be adjusted as soon as practicable after each anniversary.

In order to ascertain if the Minimum Premium has been exceeded, Sterling shall be converted to United States Dollars using the mean rates of exchange ruling in London on the date of inception of this Reinsurance, and Canadian Dollars shall be converted to United States Dollars at par, unless otherwise agreed. If as a result of the Minimum Premium stipulation an additional premium becomes due, adjustment will be made hereunder in Sterling, United States Dollars and Canadian Dollars in the same ratio as the Reinsured's Nett Premium Income in these currencies bears to the total Nett Premium Income. In the event that the Minimum Premium is unexceeded there shall be no further adjustment hereunder.

CONTRACT NO. EG99E2

The term "Nett Premium Income" shall be understood to mean gross premiums less commission, brokerage and profit commission, cancellations and return premiums and less premiums given off by way of reinsurance, recoveries under which inure to the benefit of the Reinsurers hereon, and after deduction of premium in respect of business excluded from the protection of this Reinsurance.

CURRENCY CONVERSION CLAUSE

(i) Not to apply to United States or Canadian Dollars

Losses, if any, in foreign or colonial currencies shall be converted into Sterling at the rate of exchange ruling in London on the date of the settlement of the original loss.

(ii) Losses involving payment in both United States Dollars and/or Canadian Dollars and other Currencies

In the event of the Reinsured becoming involved in a loss requiring payment in Sterling and United States Dollars and/or Canadian Dollars, the excess and indemnity hereunder shall be apportioned in the proportion that the amount of each currency bears to the total amount of the loss sustained by the Reinsured. For the purpose of calculating the excess and indemnity hereunder the amounts involved shall be reduced to a common currency by considering U.S.\$ or Can.\$ 2.80 equal to £1 Sterling.

REINSTATEMENT CLAUSE

In the event of loss or losses occurring under this Reinsurance it is hereby mutually agreed automatically to reinstate this Reinsurance to its full amount from the time of the occurrence of such loss or losses until expiry of this Reinsurance, without additional premium, such reinstatements to be unlimited during the currency hereof, nevertheless Reinsurers' liability shall be limited to the amount of indemnity each and every loss as set out in the Insuring Clause.

NUCLEAR INCIDENT EXCLUSION CLAUSE

(i) Applicable to American Reinsurers only

(a) Other than U.S.A. and Canadian business

This Reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any association of Insurers or Reinsurers formed for the purpose of covering nuclear energy risks or as direct or indirect Reinsurers of any such member, subscriber or association or any placings of a similar nature which are effected on the basis of Underwriters accepting nett absolutely lines and undertaking not to reinsure.

(b) U.S.A. and Canadian Business

It is understood and agreed that the "Nuclear Incident Exclusion Clauses - Liability Reinsurance, Physical Damage Reinsurance and Boiler and Machinery Reinsurance" as attached hereto shall

CONTRACT NO. EG99E2

(ii) Applicable to all other Reinsurers

This Reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any association of Insurers or Reinsurers formed for the purpose of covering nuclear energy risks or as direct or indirect Reinsurers of any such member, subscriber or association or any placings of a similar nature which are effected on the basis of Underwriters accepting nett absolutely lines and undertaking not to reinsure.

INSPECTION OF RECORDS

No further particulars shall be required by the Reinsurers but the books of the Reinsured, so far as they concern the insurances or reinsurances falling within the scope of this Reinsurance, shall be open to the inspection of an authorised representative of the Reinsurers at any reasonable time during the continuance of this Reinsurance or of any liability hereunder.

CANCELLATION CLAUSE

This reinsurance may be cancelled by either party as at midnight 31st March in any year by giving 90 days prior notice in writing to the other party. It being understood and agreed that such notice of cancellation shall be subject to the "run-off" provision contained herein.

AMENDMENTS AND ALTERATIONS

It is hereby understood and agreed that any amendments and/or alterations to this Reinsurance that are agreed, either by correspondence and/or Broker's Slip endorsements, shall be automatically binding hereon and shall be considered to form an integral part hereof, subject nevertheless to the issue of a Contract Addendum, if specially requested by the Reinsurers.

NOTICE OF LOSS CLAUSE

All loss settlements made by the Reinsured, including compromised settlements, shall be unconditionally binding upon Reinsurers provided such settlements are within the conditions of the original policies and/or contracts and within the terms of this Reinsurance, and amounts falling to the share of the Reinsurers shall be payable by them upon reasonable evidence of the amount paid being given by the Reinsured.

In the event of a claim arising hereunder notice shall be given to the Reinsurers through Sedgwick Forbes Reinsurance Brokers Limited as soon as practicable, and all papers in connection therewith shall be at the command of the Reinsurers on this Reinsurance or parties designated by them for inspection.



CONTRACT NO. EG99E2

REINSURANCE CLAUSE

This Reinsurance shall be deemed to be subject to the same terms, clauses and conditions as the original policies and/or contracts as far as they may be applicable hereto and shall pay as may be paid thereon, but subject nevertheless to the terms and conditions of this Reinsurance.

ERRORS AND OMISSIONS CLAUSE

It is hereby declared and agreed that any inadvertent delays, omissions or errors made in connection with this Reinsurance shall not be held to relieve either of the parties hereto from any liability which would have attached to them hereunder if such delay, omission or error had not occurred provided that rectification is made upon discovery. It is further agreed that in all things coming within the scope of this Reinsurance, the Reinsurers shall share to the extent of their interest the fortunes of the Reinsured.

ARBITRATION CLAUSE.

All disputes or differences between the parties or their respective Successors, Executors, Administrators or Assigns, or between one of them and the Successors, Executors, Administrators or Assigns of the other, arising out of the construction and/or performance of the present Reinsurance shall be referred to two Arbitrators, one to be chosen by each party and such Arbitrators shall first choose an Umpire before entering upon the reference. If either of the parties fails to appoint its Arbitrator within four weeks after the other has requested arbitration, or if the two Arbitrators fail to agree within a further period of four weeks upon a third to act as Umpire, then the Arbitrator or the Umpire as the case may be, shall be appointed by the Chairman or a Deputy Chairman of Lloyd's.

This Reinsurance shall be deemed a submission to arbitration within the meaning of the Arbitration Act for the time being in force, and all provisions thereof shall apply hereto except that the Arbitrators shall, in addition to any powers conferred upon them by the said Act, have power to call for and receive and act upon such evidence or information, oral or documentary, whether strictly admissible as evidence or not, as they may think proper.

The Arbitrators and the Umpire shall interpret this Reinsurance as an honourable engagement and they shall make their award with a view to effecting the general purpose of this Reinsurance in a reasonable manner, rather than in accordance with a literal interpretation of the language, the true intention of the parties being that the Reinsurers shall follow the fortunes of the Reinsured.

The Arbitration shall take place in LONDON and the costs thereof shall be borne by the parties thereto as may be directed by the Arbitrators or the Umpire, as the case may be.

CONTRACT NO. EG99E2

CONDITIONS APPLICABLE TO SECTION "A" ONLY

AGGREGATE EXTENSION CLAUSE (applicable to Liability and Professional Indemnity business only)

As regards liability incurred by the Reinsured for losses on risks covering on an aggregate basis, this Reinsurance shall protect the Reinsured excess of the amounts as provided for herein in the aggregate any one such aggregate loss up to the limit of indemnity as provided for herein in all any one such aggregate loss.

Notwithstanding that this Reinsurance is effected on a "losses occurring during the period" basis, all aggregate policies or contracts coming within the scope of this protection shall be covered on a "risks incepting during the period" basis. Furthermore, where an aggregate policy or contract is issued for limits relevant to an overall period greater than twelve months with an inception date during the period of this Reinsurance the such policy or contract shall be covered hereunder for the whole of its period notwithstanding any annual resignation. Long term policy periods with annual limits are to be treated as each annual period being a separate policy or contract with the anniversary date being regarded as the inception date. It is understood and agreed that the inception date of each declaration or "signing off" a contract shall govern its date of attachment to this Reinsurance.

It is understood and agreed that policies or contracts to which such aggregate risks attach, effected directly and/or by way of reinsurance, in a series of "layers" (whether immediately excess of each other or otherwise) shall be deemed to be one aggregate risk for the purpose of this Reinsurance provided such policies and/or contracts have inception dates during the period of this Reinsurance.

Furthermore, in circumstances in which one event or occurrence or series of events or occurrences originating from one cause affects more than one policy or contract issued to different Insureds or Reinsureds, then, in such circumstances, a series of policies or contracts so issued shall be deemed to constitute one aggregate risk for the purpose of this Reinsurance, provided that each policy or contract has inception during the period of this Reinsurance. Nevertheless, in circumstances in which the policy or policies of more than one Insured are involved in an aggregation of losses, only that part of the aggregation concerned with and originating from the one cause shall be considered as being covered by this Reinsurance in respect of each and every loss etcetera.

CONTRACT NO. EGO9E2

Notwithstanding the foregoing the Reinsured, as an alternative, have the option to extract from an aggregate policy or contract the amount of the loss sustained by them arising from any one accident and/or series of accidents arising out of one event in order that such loss can be added to the Reinsured's losses from accidents or series of accidents arising from the same event on other policies or contracts, provided that the loss occurs during the period of this Reinsurance.

Notwithstanding anything herein contained to the contrary, it is understood and agreed that Excess of Loss Reinsurances written by the Reinsured on an aggregate basis issued in the name and for the account of a Lloyd's Syndicate or Insurance or Reinsurance Company protecting their whole account or a section of their account, shall not be covered hereunder on an aggregate basis.

The foregoing exclusion shall not apply to aggregate liability assumed by the Reinsured on an "each and every loss" contract containing an Aggregate Extension Clause subject to the exclusion contained in the Exclusion Clause of this Reinsurance.

For the purpose of paragraphs 4 and 5 of this Clause, the amount of a loss from one accident or series of accidents arising out of one event or cause on an aggregate policy or contract shall be deemed to be that percentage of the aggregate loss to the Reinsured on the original policy or contract that the total loss from the particular accident bears to the total aggregate losses to the original Insured or Reinsured on the business protected.

In the event of the Reinsured being involved in a loss from one cause as referred to above and such loss arises from more than one policy and/or contract and such policies and/or contracts attach in different years it is hereby understood and agreed that the amount of the excess to be retained by the Reinsured under this Reinsurance shall be reduced to that percentage of the excess set out in the Insuring Clause which the Reinsured's settled losses on the original policies and/or contracts incepting during each annual period commencing on 1st April bears to the total of the Reinsured's settled losses arising out of all policies and/or contracts contributing to the loss. The indemnity and/or recovery hereunder shall likewise be arrived at in the same manner.

EXCESS OF LOSS EXCLUSION CLAUSE

This Section excludes liability arising out of any Excess of Loss Contract or Retrocession thereof issued in the name and for the account of a Lloyd's Syndicate or London Market Company operating predominantly on the fringe of the Lloyd's Market protecting their whole account or a complete section of their account other than Excess of Loss Reinsurance Contracts or Retrocessions thereof protecting solely a Motor Portfolio of business. The Reinsured to be sole judge as to which Companies come within the scope of this exclusion

CONTRACT NO. EG99E2

and for and on behalf of

UNDERWRITING MEMBERS OF LLOYD'S			8.49%
DRAKE INSURANCE COMPANY LIMITED	35%) of	4.47%
SENTRY INDEMNITY COMPANY (UK) LIMITED	30%		
SPHERE INSURANCE COMPANY LIMITED	25%		
DAI TOKYO INSURANCE COMPANY (UK) LIMITED	10%		
HOME INSURANCE COMPANY			1.34%
PEARL ASSURANCE COMPANY LIMITED) 50%) of	4.47%
SPHERE INSURANCE COMPANY LIMITED			
COMMUNITY REINSURANCE CORPORATION LTD			
HANSA GENERAL INSURANCE COMPANY (UK) LTD	50%		2.68%
HOME & OVERSEAS INSURANCE COMPANY LIMITED			1.79%
HIGHLANDS INSURANCE COMPANY			1.79%
HIGHLANDS INSURANCE COMPANY	50.00%)) of	1.79%
LONDON & EDINBURGH GENERAL INSURANCE CO LTD	31.25%)		
AMERICAN HOME ASSURANCE COMPANY	18.75%)		
TRANS-AMERICA ASSURANCE CORPORATION LIMITED			1.50%
UNIONAMERICA INSURANCE COMPANY LIMITED			2.24%
CONTINENTAL INSURANCE COMPANY OF NEW YORK			2.23%
PROTECTIVE NATIONAL INSURANCE COMPANY OF OMAHA			6.00%
BELLEFONTE INSURANCE COMPANY			4.00%
ELKHORN INSURANCE COMPANY			10.00%
REPUBLIC INSURANCE COMPANY			5.00%
TRANSPORTATION MUTUAL INSURANCE COMPANY			3.00%
DAI TOKYO FIRE & MARINE INSURANCE COMPANY LIMITED			1.00%
TRANSATLANTIC REINSURANCE COMPANY			10.00%
ADMINISTRATION OF STATE INSURANCES (ADAS)			2.50%
PUBLIC SERVICE MUTUAL INSURANCE COMPANY			4.00%
INSTITUTO DE RESSEGUROS DO BRASIL			5.00%
TOKYO FIRE & MARINE INSURANCE COMPANY LIMITED			0.50%
CANADIAN UNION INSURANCE COMPANY			1.00%
SCOTTISH & YORK INSURANCE COMPANY LIMITED			2.00%
STONEWALL INSURANCE COMPANY			5.00%
SASKATCHEWAN GOVERNMENT INSURANCE OFFICE			2.50%
			<hr/>
			92.50%
			<hr/>

L.P.R. 9.
A. 2.

all as per individual Schedules attached.

ADDENDUM NO. 3

to the

Contract of Reinsurance

issued to

H. S. WEAVERS (UNDERWRITING) AGENCIES LIMITED
on behalf of the Company and/or Companies for
which they underwrite

(hereinafter called the "Reinsured")

by

INSURANCE AND REINSURANCE COMPANIES

(hereinafter called the "Reinsurers")

IT IS HEREBY UNDERSTOOD AND AGREED that with effect from 1st January, 1976 in respect of New and Renewal business attaching on and after 1st January 1976 the underlying deductible hereon is increased to £ 41,071 or US. or Can.\$ 115,000 each and every loss.

The limit hereon remains unaltered at £ 232,143 or US. or Can.\$ 650,000 each and every loss.

In consideration of the foregoing the rating basis as and from 1st January 1976 shall be as follows:-

for the period 12 months at midnight
30th December, 1975
Deposit Premium: U.S.\$ 550,000

for the period 12 months at midnight
30th December 1976
Deposit Premium: U.S.\$ 850,000

Adjustable at 22.50% annually on N.P.I. accounted for, returning 50% of the Premium less losses at the close of 1977, i.e. returning after three years a maximum of 50% of the earned premium for the three year period less 100% of the incurred losses for the three year period subject to annual adjustments thereafter until commuted by agreement with the Leading Underwriter.


It being understood that the return of 70% agreed for the period 12 months at 30th December, 1974, shall be retroactively reduced to 50%.

Notwithstanding the foregoing it is agreed that in respect of all business written prior to 1st January 1976 the limit and retention hereon shall remain at £ 232,143 or US. or Can.\$ 650,000 each and every loss excess of £ 23,214 or US. or Can.\$ 65,000 each and every loss.

ALL OTHER TERMS, CLAUSES AND CONDITIONS REMAIN UNALTERED.

REINSURED: H.S. WEAVERS (UNDERWRITING) AGENCIES LTD.	TREATY No: XJ99E2
TREATY CASUALTY EXCESS OF LOSS I.R.O. GROUPS 1, 2, 3, 4, 6 & 9	
DOCUMENTATION: ADDENDUM NO:3	SEDGWICK FORBES REINSURANCE BROKERS LIMITED

SCHEDULE

PARTICIPATION	REINSURER	REFERENCE
1.40%	<p>Signed in <i>London</i> this <i>19th</i> day of <i>October - 77</i></p> <p>For and on behalf of:</p>  <p>HOME INSURANCE COMPANY</p>	<p><i>77.62.350</i> <i>- 2392 -</i></p>

Groups 1, 2, 3, 4, 6, 9, 10 100% Casualty

①

Bland Payne Reinsurance

Brokers Limited

Kent House, Telegraph Street, London, EC2R 7AL

and at Lloyd's

Telephone 01-605 7766 Telex 887121/22

Cables: Kentre

checked
(15/3/77)

H.S. Weavers (Underwriting Agencies) Ltd.,
31 Lime Street,
London, E.C.3.

24th January, 1977

C.N.No. P.33918

*In accordance with your instructions we have effected
the following Reinsurance:-*

REASSURED

H.S. Weavers (Underwriting) Agencies Limited
on behalf of the Company and/or Companies
for which they underwrite comprising their
1, 2, 3, 4, 6, 9 and 10 Groups.

PERIOD

12 months at Midnight 30th December, 1976,
Losses occurring basis.
12 months run off, further periods as may
be agreed.

TYPE

Excess of Loss Reinsurance

CLASS

Section "A"
All Casualty business including Boiler, Aviation,
Builders' Risks Workmen's Compensation Act
Liability (at Common Law or under contract),
Malpractice, Professional Indemnity, Fidelity
and business of a similar nature, all of which
is classified by the Reassured as Casualty
business.

It is hereby understood and agreed that this
Section shall not cover any loss caused by
or resulting from all risks of Physical Loss
or Damage unless such loss be incurred by
the Reassured under a policy or contract covering
Third Party and/or Common Law Liability which
liability shall be the proximate cause of
the loss to them.

Section "B"

All Risks of Physical Loss or Damage or Losses consequent thereon when such losses are not recoverable on Section "A" hereof under all Casualty business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reassured as Casualty business.

TERRITORIAL SCOPE

Wheresoever arising

LIMIT

1) In respect of losses occurring on risks attaching prior to 1st April, 1975.

£107,143 or US. or C\$300,000 each and every loss all Groups (except Group 10) combined excess of

Group 1. £35,714 or US. or C\$100,000 each and every loss

Group 2. £21,429 or US. or C\$ 60,000 each and every loss

Group 3. £14,285 or US. or C\$ 40,000 each and every loss

Group 4. £35,714 or US. or C\$100,000 each and every loss

Group 6. £35,714 or US. or C\$100,000 each and every loss

2) In respect of losses occurring on risks attaching during the period 1st April, 1975 to Midnight 30th December, 1976 both days inclusive.

£107,143 or US. or C\$300,000 each and every loss

EXCESS OF AN ULTIMATE NETT LOSS OF

£107,143 or US. or C\$300,000 each and every loss

The above applies to all Groups (except Group 10) combined.

3) In respect of losses occurring on risks attaching on or after Midnight 30th December, 1976.

£107,143 or US. or C\$300,000 each and every loss

EXCESS OF AN ULTIMATE NETT LOSS OF

£147,321 or US. or C\$412,500 each and every loss

4) In respect of Group 10

£17,500 or US. or C\$49,000 each and every loss

IN EXCESS OF AN ULTIMATE NETT LOSS OF

£8,036 or US. or C\$22,500 each and every loss

REINSTATEMENT

Unlimited reinstatement without additional premium.

PREMIUM

Deposit Premium US\$1,275,000 payable in four equal instalments in advance. Adjustable (as soon as practicable after expiry) at 7.50% Nett Premium Income accounted for during the period of this Reinsurance for all Groups other than Group 10, plus 14.90% Nett Premium Income accounted for during the period of this Reinsurance in respect of Group 10.

GENERAL CONDITIONS

Losses Discovered or Claims Made Clause.
Ultimate Nett Loss Clause.
Currency Conversion Clause.
Nuclear Incident Exclusion Clause.
Atomic Pools Exclusion Clause.
Interlocking Clause between limits 1, 2 & 3 as expiring, as far as applicable.

Reinsurers agree, subject to advice to leading Underwriter only, to defer attachment of Limits 3), and revert to Limits 2) in the event that Group 9 does not attach at 1st January, 1977.

Section "A" only:

Aggregate Extension Clause.
Excluding Lloyd's and fringe Companies Excess of Loss Contracts other than Motor.

Section "B" only:

Excluding Off-shore Drilling Rigs and/or Barges and/or Platforms.
Excluding Lloyd's and Companies Excess of Loss Contracts other than Motor, and all Physical Damage losses on Boiler and Machinery Policies and Bankers' Policies.

Agreed to extend this reinsurance to cover Automobile Physical Damage when written in conjunction with Automobile Liability excluding, however, losses occurring in USA. and/or Canada. Understood that the Reassured's interest in such business accepted under Excess of Loss Contracts of Companies other than fringe Market Companies shall be covered.

Attaching to Cover Note R. 11918

SECURITY

Home Insurance Co.		29.32%
Highlands Insurance Co.	50%))
Highlands Insurance Co.	50.00%))
London & Edinburgh General Insurance Co. Ltd.) 50%)	8.38%
American Home Assurance Co.	31.25%))
per Highlands Underwriting Agents Ltd. Pool A/c.	18.75%))
Instituto de Resseguros do Brasil		16.76%
Deutsche Rückversicherung Aktiengesellschaft	52%))
Compagnia di Assicurazioni di Milano	32%)	16.76%
Securitas Bremer Allgemeine Versicherung Aktiengesellschaft	16%))
per Inter Community Reinsurance Agency B.V.		
Transamerica Insurance Co.		1.26%
Calidad Insurance Ltd.		-.21%
The Mariner Assurance Co. Ltd.		-.21%
Desert Insurance Co. Ltd.		-.21%
H. & R. Block Insurance Co. Ltd.	50%))
Radius Assurance Co. Of Bermuda Ltd.	50%)	2.30%
Mutual Reinsurance Co. Ltd.		1.25%
Universal Marine Insurance Co. Ltd.		-.42%
Mentor Insurance Ltd.		-.42%
Allstate Insurance Co.		20.00%
Continental Insurance Co.		2.50%

100%

For BLAND PAYNE REINSURANCE BROKERS LIMITED,


Director.

R33918

Alldayman

GUY CARPENTER & COMPANY, INC.

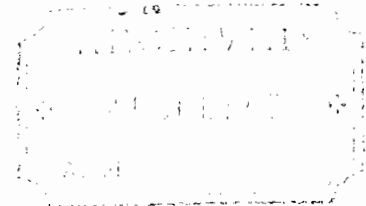
REINSURANCE

110 WILLIAM STREET

NEW YORK, N. Y. 10038

CABLE ADDRESS "GUYCARD"

TELEPHONE (212) 791-8600



July 18, 1977

151736

Bland Payne Reinsurance Brokers Limited
Kent House
Telegraph Street
London EC2R 7AT, England

H.S. Weavers (Underwriting) Agencies Limited
Casualty Account Excess of Loss Reinsurance
Your Reference: R33918
Our Reference: 869-14 BP(NM)

Dear Sirs:

Enclosed please find Signing Sheets duly executed by both the Reinsurers
for the period twelve months at Midnight, 30th December, 1976.

We trust you will find the enclosures to be in order.

Very truly yours,

GUY CARPENTER & COMPANY, INC.

A.R. Thomson
A.R. Thomson
Vice President

jr
Enc.

Policy of Reinsurance

Bland Payne Reinsurance Brokers Ltd.
Kent House,
Telegraph Street, Moorgate, LONDON EC2R 7AT

Policy No: R33918/RDR151736
Reinsured: H.S.WEAVERS (UNDERWRITING) AGENCIES
LIMITED AND OTHERS

WHEREAS the Reinsured named in the wording attached hereto having paid, or promised to pay, the premium stated herein.

NOW WE THE REINSURERS HEREBY AGREE to indemnify the Reinsured against loss, damage or liability to the extent and in the manner hereinafter provided for our proportion as stated below.

If the Reinsured shall make any claim knowing the same to be false or fraudulent as regards amount or otherwise this Reinsurance shall become void and all claim hereunder shall be forfeited.

The participation of the Reinsurer in this Agreement shall be separate and apart from the participations of other reinsurers and shall not be joint with those of other reinsurers.

LINE

REINSURER

REFERENCE

7691037

BLAND PAYNE REINSURANCE BROKERS LTD.

PER GUY CARPENTER REF ^{76/869-19 EP(WA)}
 SEE LETTER DATED ^{S/A} 16.11.76
 BY BRGE " A " P/O " K "
 SIGN IN FULL ✓
 SLIP DIFFERENCES None

LINES PER MARSHMAC REF
 SEE LETTER DATED
 BY BKGE "....." P/O "
 SIGN IN FULL 33918
 SLIP DIFFERENCES

AFIA Reinsurance%
(Aetna Insurance Co.)%
AFIA Reinsurance%
(Reliance Insurance Co.)%
Allendale Mutual Ins. Co.%
Allstate Insurance Co.	20.00%
American Home Assurance Co.%
American International Reinsurance%
Co. Ltd.%
Alefonte Insurance Co.%
The Canadian Union Ins. Co.%
Continental Casualty Co.%
First International Reinsurance%
Co.%
Fremont Indemnity Co.%
Highlands Overseas Ltd.%
I.N.A. Reinsurance Co.%
Kemper Reinsurance Co.%
Liberty Mutual Insurance Co.%
Milbank Mutual Insurance Co.%
The Monarch Insurance Co. of%
Ohio%
MONY Reinsurance Corporation%
New England Reinsurance Corpn.%
Philadelphia Manufacturers' Mutual%
Insurance Co.%
Public Service Mutual Insurance%
Co.%
Republic Insurance Co.%
Saskatchewan Government Insurance%
Office%
The Stuyvesant Insurance Co.%
Traders General Insurance Co.%
Transamerica Insurance Co.%
Universal Reinsurance Corpn.%
CONTINENTAL INSURANCE CO.	2.50%
	<u>22.50%</u>

Dowa Fire & Marine Insurance%
Co. Ltd.%
The Chiyoda Fire & Marine%
Insurance Co. Ltd.%
The Dai-Tokyo Fire & Marine%
Insurance Co. Ltd.%
The Kyoei Mutual Fire & Marine%
Insurance Co. Ltd.%
Toa Fire & Marine Reinsurance%
Co. Ltd.%
Taisho Marine & Fire Insurance%
Co. Ltd.%
Yasuda Fire & Marine Insurance%
Co. Ltd.%

POLICY NO.:

33918

649
BPR

TREATY
Bland Payne Reinsurance
Brokers Limited

COMMUNICATIONS TO:

H.S. WEAVERS (UJTG AGENCIES) LTD.

CLIENT'S REF.

C.S.A.

RETROS.

CLOSE AUTO/FROM

NO. OF SLIPS

TWO

ORDER

100 %

TOTAL WRITTEN

115 %

BROKER

MFR

DATE TO OFFICE

13.1.77

C/N DATE

STATISTICS

PART

3

B

-

C

W

1

77

~~75~~

RENEWAL OF

~~WETA~~ 32853

N.C.A.D./EXPIRY

RENEWED BY

40672

AGRMT. NOS. & DATE

MICRO

LPSO AUTHORISATION AND ACCOUNTING STAMPS

ILU AUTHORISATION AND ACCOUNTING STAMPS

Bland Payne Reinsurance
Brokers Limited

649
BPR

POLICY NO.

33918

REF. NO.

151736

REGISTRATION

V.A.T.

T.O.C. TRIBUNAL

D.T.I. CODE

REGISTRATION CATEGORY

YEAR

MONTH

REASSD/ACCOUNT

ADJUSTABLE

YES

NO

COUNTRY OF ORIGIN

MARINE

NON-MARINE

AVIATION

USB/NUS/US

CURRENCY

SIGNED
LINE

GROSS PREMIUM

TOTAL

100%

US\$ 1,275,000.00

LLOYD'S

ILU

COMPANIES

100%

US\$ 1,275,000.00

CO's 77.50%

T/P 2/- R/1

G.C. 22.50%

1/1976

100.00%

2/No Ref

3/-

4/-

5) X.C.

Deferred A/C:

31/12/76 US\$ 318,750.00

31/3/77 US\$ 318,750.00

30/6/77 US\$ 318,750.00

30/9/77 US\$ 318,750.00

US\$ 1,275,000.00

CLIENT CODES

CM 23/9

C. A. CODES

LPSO TREATY No.

ILU TREATY No.

28.6721
L.P.O. 90

LLOYD LLOYD LLOYD LLOYD

Brokers Limited

649

TAX CODE

HM978/USB/XL

1976

1976

Reference No

25310

DTI CODE

2

1976

Account

2531

Account

LLOYDS PPN

MS. GAYNES (LTD) GAYNES LTD THIRD PARTY XSL RL

SYND NO

78

YEAR MONTH

4

AUDIT CODE

M

N/M

AVN

James R. Solih

SYND PSM

LEADING U/W

Additional Premium due herein to adjust at 30th December, 1974 in accordance with advice.

Groups Ltd. Ltd

NP1 £25,510.23

US\$ 50,190.27

£948,124.31

NP2

£ 31,442.74

US\$ 3,914.31

£ 11,109.32

NP3

£ 15,304.58

US\$ 1,146,107.04

£ 18,390.37

NP4

£ 2,354.82

US\$ 170,709.95

£ 2,740.17

NP5

£ 53,797.62

US\$ 4,085,085.49

£ 13,849.49

NP6

£ 111.00

US\$ 1,275,000.00

£ Nil

NP7

£ 53,797.62

US\$ 2,210,085.49

£ 573,249.49

NP8

£ 53,797.62

US\$ 2,210,085.49

£ 573,249.49

100%

53,797.62

Lloyds

100%

53,797.62

US\$

IN AC

100%

230,085.49

Lloyds

100%

111

100%

2,210,085.49

CURRENCY

GROSS

100%

73,249.49

Lloyds

73,249.49

POLY. DEPT.
- 4 JUL 1978
104 JUL 1978

FLU. NUMBER AND DATE STAMP

FLU. NUMBER AND DATE STAMP

Please Prepare debit-note pro-forma and closing for Guy Carpenter.

50 stls	here	less	stl	11/11/11		
				£11,499.24	US\$ 600,655.78	CF 137,231.33
stl	brgs			£605.22	US\$ 31,613.46	CF 830.81

SIGNED
LINE

JP

H.S. Weavers (Underwriting) Agencies Limited on behalf of the Company and/or Companies for which they underwrite comprising their 1, 2, 3, 4, 6 and 8 Groups.

12 months at Midnight 30th December, 1976, Losses occurring basis.

12 months run off, further periods as may be agreed.

Excess of Loss Reinsurance

Section "A"

All Casualty business including Boiler, Aviation, Builders' Risks Workmen's Compensation Act Liability (at Common Law or under contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reassured as Casualty business.

It is hereby understood and agreed that this Section shall not cover any loss caused by or resulting from all risks of Physical Loss or Damage unless such loss be incurred by the Reassured under a policy or contract covering Third Party and/or Common Law Liability which liability shall be the proximate cause of the loss to them.

Section "B"

All Risks of Physical Loss or Damage or losses consequent therefrom when such losses are not recoverable on Section "A" hereof under all Casualty business including Boiler, Aviation, Builders' Risks, Workmen's Compensation Act Liability (at Common Law or under contract), Malpractice, Professional Indemnity, Fidelity and business of a similar nature, all of which is classified by the Reassured as Casualty business.

TRIAL SCOPE

Wheresoever arising

1) In respect of losses occurring on risks attaching prior to 1st April, 1975.

£107,143 or US. or C\$300,000 each and every loss all Groups combined excess of

SIGNED
LINE

Group 1. £35,714 or US. or C\$100,000 each and every loss
Group 2. £21,429 or US. or C\$ 60,000 each and every loss
Group 3. £14,285 or US. or C\$ 40,000 each and every loss
Group 4. £35,714 or US. or C\$100,000 each and every loss
Group 6. £35,714 or US. or C\$100,000 each and every loss

2) In respect of losses occurring on risks attaching during the period 1st April, 1975 to ~~31st~~ ^{31st} December, 1976 both days inclusive. *M. Ball*

£107,143 or US. or C\$300,000 each and every loss

EXCESS OF AN ULTIMATE NETT LOSS OF

£107,143 or US. or C\$300,000 each and every loss

The above applies to all Groups combined.

3) In respect of losses occurring on risks attaching on or after ~~1st January, 1977~~ ^{30th} December 1976.

£107,143 or US. or C\$300,000 each and every loss

EXCESS OF AN ULTIMATE NETT LOSS OF

£147,321 or US. or C\$412,500 each and every loss

The above applies to all Groups combined.

REINSTATEMENT

Unlimited reinstatement without additional premium.

PREMIUM

Deposit Premium ^{US\$} 1,250,000 payable in four equal instalments in account in advance. Adjustable (as soon as practicable after expiry) at 7.5% Nett Premium Income accounted for during the period of this Reinsurance.

DEDUCTIONS

10%

GENERAL CONDITIONS

Losses Discovered or Claims Made Clause.
Ultimate Nett Loss Clause.
Currency Conversion Clause.
Nuclear Incident Exclusion Clause.
Atomic Pools Exclusion Clause.
Interlocking Clause between limits 1, 2 & 3 as expiring, as far as applicable.

SIGNED
LINE

Reinsurers agree, subject to advice to leading Underwriter only, to defer attachment of Limits 3), and revert to Limits 2) in the event that Group 9 does not attach at 1st January, 1977.

Section "A" only:

Aggregate Extension Clause.

Excluding Lloyd's and fringe Companies Excess of Loss Contracts other than Motor.

Section "B" only:

Excluding Off-shore Drilling Rigs and/or Barges and/or Platforms.

Excluding Lloyd's and Companies Excess of Loss Contracts other than Motor and all Physical Damage losses on Boiler and Machinery Policies and Bankers' Policies.

Agreed to extend this reinsurance to cover Automobile Physical Damage when written in conjunction with Automobile Liability excluding, however, losses occurring in USA. and/or Canada. Understood that the Reassured's interest in such business accepted under Excess of Loss Contracts of Companies other than fringe Market Companies shall be covered.

WORDING

As before as far as applicable.

85/OME
SODIETL
7662351041173
INSTITUTO DE RESEGUROS DO BRASIL

444125
20/6 20/11/76 IRB
INSTITUTO DE RESEGUROS DO BRASIL
77XW611557EWVZ6

442226
6291TX3316A
20

44552K
ERA EXCESS LOSS A/C
22 4 4 7 0 3 6

Reinsured upon subject to approval of writing in favor of
only, to do so, attachment of limits of, and cover to limit
D) in the event that from 9, 1977, 1977, 1977, 1977,

Section "A" only:

Aggregate Extension Clause.

Excluding Lloyd's and Fringe Companies Excess of Loss Contract
other than above.

33918

Section "B" only:

Excluding Off-shore Drilling rigs and/or barges and/or
Platforms.

Excluding Lloyd's and Companies Excess of Loss Contracts
other than aforesaid and all Physical damage losses on Boiler
and Machinery Policies and Bankers' Policies.

Agreed to extend this reinsurance to cover Automobile Physical
Damage when written in conjunction with Automobile Liability
excluding, however, losses occurring in USA, and/or Canada.
Understood that the Reassured's interest in such business
accepted under Excess of Loss Contracts of Companies other
than fringe Market Companies shall be covered.

WORDING

As before as far as applicable.

55
7.6.6.3.5.0.4.1.7.3.
473221

458437
1/2% UNIVERSAL MARINE INS. Co. LTD. ^{PRD}
REF:- 77/1107/E/1000

458531
1/2% MENTOR INS. LTD. ^{PRD}
REF:- 77/1107/E/1000

1/2% TRANSAMERICA INS. CO. - LA. ^{PRD}
REF:- 77/1107/E/1000 10/12/76

452833
1/4% CALIDAD INSURANCE LTD. ^{PRD}
REF:- 77/1107/E/1000 10/12/76

452734
1/4% THE MARINER ASSURANCE CO. LTD. ^{PRD}
REF:- 77/1107/E/1000 10/12/76

45322A
1/4% DESERT INS. CO. LTD. ^{PRD}
REF:- 77/1107/E/1000 10/12/76

23/150% H. & H. BLACK INSURANCE CO. LTD. ^{PRD}
23/150% RADIUS ASSURANCE CO. OF BERMUDA LTD. ^{PRD}
REF:- 77/1107/E/1000 10/12/76 454031

Handwritten initials and date: "10/1/75"

Section 100-100000-100000

In witness whereof, the necessary officers and directors of the Company and its Company have signed and affixed their seals, this 1st day of October, 1975, at New York, New York, and the insured, referred to as "the reinsured") and the reinsured, and their respective agents, have signed and affixed their seals and/or signatures, this 1st day of October, 1975.

Section 100-100000

All of the risks including Boiler, Machinery, Builders' Risk, Workmen's Compensation Act Liability (at Common Law or under contract), Malpractice, Professional Indemnity, Fidelity and Surety of a general nature, all of which is reinsured by the Reinsured as Casualty business.

It is hereby understood and agreed that this section shall not cover any loss caused by or resulting from all risks of physical loss or damage unless such loss be incurred by the reinsured under a policy or contract covering Third Party and/or Common Law Liability which liability shall be the primary cause of the loss to them.

Section 100-100000

All risks of Physical loss or Damage or losses consequent hereon when such losses are not recoverable on Section "100-100000" of Casualty Business including Boiler, Machinery, Builders' Risk, Workmen's Compensation Act Liability (at Common Law or under contract), Malpractice, Professional Indemnity, Fidelity and Surety of a general nature, all of which is reinsured by the Reinsured as Casualty business.

subject, however, to the following terms and conditions:

INCLUDED CLAUSE

Section 100-100000

In respect of losses occurring on policies and/or contracts existing prior to the April, 1975, this reinsurance is to pay up to £107,142 or US, or C\$100,000 each and every loss inclusive of legal costs over all groups combined, other than Group 10, in excess of the following ultimate net loss amounts inclusive of legal costs for each Group individually:

- Group 1: £35,714 or US or C\$100,000 each and every loss
- Group 2: £21,429 or US or C\$ 50,000 each and every loss
- Group 3: £14,285 or US or C\$ 40,000 each and every loss
- Group 4: £35,714 or US or C\$100,000 each and every loss
- Group 5: £35,714 or US or C\$100,000 each and every loss

Section 100-100000

In respect of losses occurring on policies and/or contracts existing prior to the April, 1975, this reinsurance is to pay up to £107,142 or US, or C\$100,000 each and every loss

in respect of losses occurring on policies and/or contracts attached at or after Midnight on 30th December, 1974, this reinsurance is to pay up to £107,144 or US\$ or C\$99,000 each and every loss inclusive of legal costs over all Groups combined, other than Group 10, in excess of an ultimate net loss of £107,144 or US\$ or C\$99,000 each and every loss inclusive of legal costs over all Groups combined, other than Group 10

Section (13)

In respect of losses occurring on policies and/or contracts attached at or after Midnight on 30th December, 1974, this reinsurance is to pay up to £107,144 or US\$ or C\$99,000 each and every loss inclusive of legal costs over all Groups combined, other than Group 10, in excess of an ultimate net loss of £107,144 or US\$ or C\$99,000 each and every loss inclusive of legal costs over all Groups combined, other than Group 10

Section (14)

In respect of Group 10, this reinsurance is to pay up to £17,500 or US\$ or C\$99,000 each and every loss inclusive of legal costs in excess of an ultimate net loss of £8,036 or US\$ or C\$7,500 each and every loss inclusive of legal costs

INTERLOCKING CLAUSE IN RESPECT OF SECTIONS (1), (2) AND (3)

In the event of a loss occurring which involves policies and/or contracts then attached in two or more of the periods referred to in Sections (1), (2) and (3) above, namely (i) prior to 1st April, 1975, (ii) on or after 1st April, 1975 and prior to Midnight on 30th December, 1976, and (iii) at or after Midnight on 30th December, 1976, the separate excess and indemnity amounts for each Section shall be reduced in the proportion that the amount of loss relevant to each Section bears to the total loss sustained by the Reinsured over all Groups combined, other than Group 10

PERIOD

This reinsurance covers all losses as herein defined occurring during the period commencing with Midnight 30th December, 1974 and ending with Midnight 30th December, 1977 Local Standard Time at the place where the loss occurs

In the event of this reinsurance being terminated or not renewed, it is agreed to indemnify the Reinsured for losses occurring during the period of twelve (12) months from the date of termination or non-renewal in respect of policies and/or contracts and/or covers written on or prior to such date of termination or non-renewal. It is further agreed that this Reinsurance may be extended for such further period or periods of "run off" if required by the Reinsured.

DEFINITION OF PROTECTION CLAUSE

This reinsurance shall apply whether a loss under occurrence or fire, catastrophe and/or disaster and/or explosion and/or explosion and/or losses and/or accidents and/or catastrophes and/or disasters

and the Reinsurers shall be liable for the entire loss or damage, provided that the loss and/or occurrence is due to fire and/or explosion and/or lightning and/or hail and/or windstorm and/or typhoon and/or cyclone and/or earthquake and/or volcanic eruption and/or other natural causes and/or accidents arising out of one event occurring within the time of expiration of this Reinsurance.

LOSSES DISCOVERED OR CLAIMS MADE CLAUSE

It is understood and agreed that as regards losses arising under policies and/or contracts covering on a "Losses Discovered" or "Claims Made" basis, that is to say policies and/or contracts in which the date of discovery of the loss or the date the claim is first made against the Assured or is first notified to Underwriters determines under which policy or contract the loss is collectible, such losses are covered hereunder and the date of discovery of such loss or the date such claim is made or first notified shall be deemed to be the date of the loss occurrence for the purposes of this Reinsurance provided that the date of the discovery of the loss or the date the claim is made or first notified falls within the period of this Reinsurance.

For the purposes of the foregoing the date of the first discovery of a loss occurrence or the date the claim is first made against an Assured or first notified to Underwriters shall be the date applicable to the entire loss and the Reinsurers shall be liable for their proportion of the entire loss and/or claim irrespective of the expiry date of this Reinsurance provided that such first discovery date or first date such claim is made or notified falls within the period of this Reinsurance.

ULTIMATE NETT LOSS CLAUSE

The term "Ultimate Nett Loss" shall mean the sum actually paid by the Reinsured in settlement of losses or liability after making deductions for all recoveries, all salvages and all claims upon other reinsurances, whether collected or not, and shall include all adjustment expenses arising from the settlement of claims other than the salaries of employees and the office expenses of the Reinsured. All salvages, recoveries or payments received or received subsequent to a loss settlement under this Reinsurance shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto. Provided always that nothing in this clause shall be construed to mean that losses under this Reinsurance are not recoverable until the Reinsured's Ultimate Nett Loss has been ascertained. It is understood and agreed that recoveries under the Reinsured's underlying Casualty Excess of Loss protection shall inure to their sole benefit and shall not be taken into account in calculating their Ultimate Nett Loss.

DEFINITION OF "EACH AND EVERY LOSS"

For the purposes of this contract, the term "each and every loss" shall be understood to mean each and every loss and/or occurrence and/or catastrophe and/or disaster and/or calamity and/or series of losses and/or occurrences and/or catastrophes and/or disasters and/or calamities arising out of one event

REINSURANCE

The premium for this reinsurance shall be calculated at 7.50% of the Reinsured's Net Premium Income on the business protected "as counted for" during the period of this reinsurance for all groups combined other than Group 17, plus 14.00% of the Reinsured's Net Premium Income on the business protected "as counted for" during the period of this reinsurance for Group 17, subject to an annual deposit premium of US\$1,275,000 payable in equal quarterly instalments in advance. To be adjusted as soon as practicable after expiry.

In order to ascertain if an adjustment is necessary Sterling shall be converted to Dollars using the noon rates of exchange ruling in London at the inception of this reinsurance and such adjustment shall be paid in Sterling, United States Dollars and Canadian Dollars in the same ratio as the Reinsured's Net Premium Income in these currencies bears to the total Net Premium Income.

The term "Net Premium Income" shall be understood to mean gross premiums less commission, taxes and similar deductions, brokerage and profit commission, cancellations and return premium and rest premiums given off by way of reinsurance, recoveries under which there is no benefit to the Reinsurers hereon, and after deduction of premiums in respect of business excluded from the protection of this reinsurance.

CURRENCY CONVERSION CLAUSE

(i) Not to apply to United States or Canadian Dollars

Losses, if any, arising on policies and/or contracts underwritten by the Reinsured in currencies other than the above shall be converted into Sterling at the rate of exchange ruling in London on the date of the settlement of the original loss.

(ii) Losses involving payment in both United States Dollars and/or Canadian Dollars and Sterling

In the event of the Reinsured becoming involved in a loss requiring payment in Sterling and United States Dollars and/or Canadian Dollars, the excess and indemnity hereunder shall be apportioned in the proportion that the amount of each currency bears to the total amount of the loss sustained by the Reinsured. For the purpose of calculating the excess & indemnity hereunder the amounts involved shall be reduced to a common currency using the same ratio as established in the Insuring Clause.

REINSTATEMENT CLAUSE

In the event of loss or losses occurring under this reinsurance it is hereby mutually agreed automatically to reinstate this reinsurance to its full amount from the time of the occurrence of such loss or losses until expiry of this reinsurance, such reinstatement to be unlimited during the currency hereof notwithstanding circumstances in which the amount of indemnity each and every loss is in excess of the amount of premium.

EXCLUSIONS OF COVERED RISKS

- (a) Atomic Energy Act and other laws
- (b) U.S.A. and Canadian business

This reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any association of Insurers or Reinsurers formed for the purpose of covering nuclear energy risks or as direct or indirect reinsurers of any such member, subscriber or association or any placement of a similar nature which are effected on the basis of Underwriters accepting non-absolute lines and undertaking not to reinsure

- (c) U.S.A. and Canadian business

It is understood and agreed that the "Nuclear Incident Exclusion Clause", "Liability Reinsurance", "Physical Damage Reinsurance" and "Boiler and Machinery Reinsurance" as attached hereto shall be deemed to form an integral part hereof.

(d) Applicable to all other Reinsurers

This reinsurance does not cover any loss or liability accruing to the Reinsured as members of or subscribers to any association of Insurers or Reinsurers formed for the purpose of covering nuclear energy risks or as direct or indirect reinsurers of any such member, subscriber or association or any placements of a similar nature which are effected on the basis of Underwriters accepting non-absolute lines and undertaking not to reinsure

INSPECTION OF RECORDS

No further particulars shall be required by the Reinsurers but the books of the Reinsured, so far as they concern the insurances or reinsurances falling within the scope of this reinsurance, shall be open to the inspection of an authorized representative of the Reinsurers at any reasonable time during the continuance of this reinsurance or of any liability hereunder.

AMENDMENTS AND ALTERATIONS

It is hereby understood and agreed that any amendments and/or alterations to this reinsurance that are agreed, either by correspondence and/or broker's Slip endorsements, shall be automatically binding hereon and shall be considered to form an integral part hereof, subject nevertheless to the issue of a Contract Addendum, if specially requested by the Reinsurers.

NOTICE OF LOSS CLAUSE

All loss settlements made by the Reinsured, including compromised settlements, shall be unconditionally binding upon Reinsurers provided such settlements are within the conditions of the original policies and/or contracts and within the terms of this reinsurance, and amounts falling to the share of the Reinsurers shall be payable by them upon reasonable evidence of the amount paid being given by the Reinsured.

In the event of a claim arising hereunder, the insured shall be granted to the reinsurers the benefit of all available defenses which it may have as soon as practicable, and all papers in connection therewith shall be at the command of the reinsurers or their reinsurance or parties designated by them for inspection.

REINSURANCE CLAUSE

This reinsurance shall be deemed to be subject to the same terms, clauses and conditions as the original policies and/or contracts as far as they may be applicable, and the reinsurers shall pay as may be paid thereon, but subject nevertheless to the terms and conditions of this reinsurance.

ERRORS AND OMISSIONS CLAUSE

It is hereby declared and agreed that any inadvertent delays, omissions or errors made in connection with this reinsurance shall not be held to relieve either of the parties hereto from any liability which would have attached to them hereunder if such delay, omission or error had not occurred provided their rectification is made upon discovery. It is further agreed that in all things coming within the scope of this reinsurance the reinsurers shall share to the extent of their interest the fortunes of the Reinsured.

ARBITRATION CLAUSE

All disputes or differences between the Reinsured and Reinsurers hereon in respect of this Reinsurance shall be referred to two Arbitrators, one to be chosen by each party, and such Arbitrators shall first choose an Umpire before entering upon the reference. If either of the parties fails to appoint its Arbitrator within four weeks after the other has requested arbitration, or if the two Arbitrators fail to agree within a further period of four weeks upon a third to act as Umpire, then the Arbitrator or the Umpire, as the case may be, shall be appointed by the Chairman or a Deputy Chairman of Lloyd's.

This Reinsurance shall be deemed a submission to arbitration within the meaning of the Arbitration Act for the time being in force, and all provisions thereof shall apply hereto except that the Arbitrators shall, in addition to any powers conferred upon them by the said Act, have power to call for and receive and act upon such evidence or information, oral or documentary, whether strictly admissible as evidence or not, as they may think proper.

The Arbitrators and the Umpire shall interpret this Reinsurance as an honourable engagement and they shall make their award with a view to effecting the general purpose of this Reinsurance in a reasonable manner, rather than in accordance with a literal interpretation of the language, the true intention of the parties being that the Reinsurers shall follow the fortunes of the Reinsured.

The Arbitration shall take place in LONDON and the costs thereof shall be borne by the parties hereto in equal shares, and by the Arbitrator or the Umpire, in the case of his fee.

Hereby defining the loss being the full amount of an indemnity, and the right to extract from an aggregate period or contract the amount of the loss sustained by them arising from any one accident and/or series of accidents arising out of one event in order that such loss can be added to the Reinsured's losses from accidents or series of accidents arising from the same event on other policies or contracts, provided that the loss occurs during the period of this reinsurance.

Notwithstanding anything herein contained to the contrary, it is understood and agreed that Excess of Loss Reinsurances written by the Reinsured on an aggregate basis issued in the name and for the account of a Lloyd's Syndicate or Insurance or Reinsurance Company protecting their whole account or a section of their account, shall not be covered hereunder on an aggregate basis. The foregoing exclusion shall not apply to aggregate liability assumed by the Reinsured on an "Each and every loss" contract containing an Aggregate Extension clause subject to the exclusion contained in the Exclusion clause of this reinsurance.

For the purpose of paragraphs 4 and 5 of this Clause, the amount of a loss from one accident or series of accidents arising out of one event or cause on an aggregate policy or contract shall be deemed to be that percentage of the aggregate loss to the Reinsured on the original policy or contract that the total loss from the particular accident bears to the total aggregate losses to the original Insured or Reinsured on the business protected.

In the event of the Reinsured being involved in a loss from one cause as referred to above and such loss arises from more than one policy and/or contract and such policies and/or contracts attach in different years it is hereby understood and agreed that the amount of the excess to be retained by the Reinsured under this reinsurance shall be reduced to that percentage of the excess set out in the Insuring Clause which the Reinsured's settled losses on the original policies and/or contracts incepting during each annual period commencing on 30th December bears to the total of the Reinsured's settled losses arising out of all policies and/or contracts contributing to the loss. Indemnity and/or recovery hereunder shall likewise be arrived at in the same manner.

EXCESS OF LOSS EXCLUSION CLAUSE

This section excludes liability arising out of any Excess of Loss Contract or retrocession thereof issued in the name and for the account of a Lloyd's Syndicate or London Market Company operating predominantly on the fringe of the Lloyd's Market protecting their whole account or a complete section of their account other than Excess of Loss Reinsurance Contracts or retrocessions thereof protecting solely a Motor Portfolio of business. The Reinsured to be sole judge as to which Companies come within the scope of this exclusion.

This contract shall be construed, interpreted and administered in accordance with the law of the United States.

CONDITIONS APPLICABLE TO SECTION "A" ONLY

AGGREGATE EXTENSION CLAUSE

As regards liability incurred by the Reinsured for losses on risks covering on an aggregate basis, this reinsurance shall protect the Reinsured excess of the amounts as provided for herein in the aggregate any one such aggregate loss up to the limit of indemnity as provided for herein in all any one such aggregate loss.

Notwithstanding that this reinsurance is effected on a "losses occurring during the period" basis, all aggregate policies or contracts coming within the scope of this protection shall be covered on a "risks incepting during the period" basis.

Furthermore, where an aggregate policy or contract is issued for limits relevant to an overall period greater than 12 months with an inception date during the period of this reinsurance then such policy or contract shall be covered hereunder for the whole of its period notwithstanding any annual resignation. Long term policy periods with annual limits are to be treated as each annual period being a separate policy or contract with the anniversary date being regarded as the inception date. It is understood and agreed that the inception date of each declaration or "signing off" a contract shall govern its date of attachment to this reinsurance.

It is understood and agreed that policies or contracts to which such aggregate risks attach, effected directly and/or by way of reinsurance, in a series of "layers" (whether immediately excess of each other or otherwise) shall be deemed to be one aggregate risk for the purpose of this reinsurance provided such policies and/or contracts have inception dates during the period of this reinsurance.

Furthermore, in circumstances in which one event or occurrence or series of events or occurrences originating from one cause affects more than one policy or contract issued to different Insureds or Reinsureds, then, in such circumstances, a series of policies or contracts so issued shall be deemed to constitute one aggregate risk for the purpose of this reinsurance, provided that each policy or contract has inception during the period of this reinsurance. Nevertheless, in circumstances in which the policy or policies of more than one Insured are involved in an aggregation of losses, only that part of the aggregation concerned with and originating from the one cause shall be considered as being covered by this reinsurance in respect of each and every loss.

CONDITIONS APPLICABLE TO SECTION TWO ONLY

EXCLUSIONS. This Section does not cover:

Liability arising out of any Excess of Loss Contracts or retrocessions thereof issued in the name and for the account of a Company or Lloyd's Syndicate protecting their whole account or a complete section of their account, other than Excess of Loss Reinsurance Contracts or retrocessions thereof protecting solely a Motor Portfolio of business.

It is hereby understood and agreed that notwithstanding anything contained herein to the contrary this section shall protect the Reinsured in respect of all Physical Damage losses on Boiler and Machinery Policies and Bankers' Policies, notwithstanding that such losses may arise under Excess of Loss Contracts or retrocessions issued in the name and for the account of a Company or Lloyd's Syndicate.

Off-Shore Drilling Rigs and/or Barges and/or Platforms

SPECIAL CONDITION

It is agreed to extend this reinsurance to cover Automobile Physical Damage when written in conjunction with Automobile Liability excluding, however, losses occurring in the United States of America and/or Canada, it is understood that the Reinsured's interest in such business accepted under Excess of Loss Contracts of Companies other than Foreign Market Companies shall be covered hereunder notwithstanding the exclusion contained herein.

*Agreed HSW
2/5/77*