

EXHIBIT 5

DATED

25th August

1993

AFIA

(1)

- and -

CIGNA Services U.K. Limited

(2)

SERVICES AGREEMENT
(LONDON BRANCH)

Lovell White Durrant
65 Holborn Viaduct
London EC1A 2DY

A3/KWC
B6/PDG

SERVICES AGREEMENT

THIS AGREEMENT made the 25th day of August 1993

BETWEEN:

1. AFIA, an unincorporated association with a place of business in the United Kingdom at Mansell Court, 69 Mansell Street, London E1 8AN (the "Association").
2. CIGNA Services U.K. Limited, a company incorporated in England (No. 1509033) whose registered office is at CIGNA House, 8 Line Street, London EC3N 7AA ("Services").

WHEREAS:

- A. The Association has certain residual responsibilities for the operation of the run-off of certain policies of insurance written by the London Treaty Reinsurance Business Departments of The Home Insurance Company and St Paul Fire and Marine Insurance Company (the "Reinsurance Contracts")
- B. Services has agreed on the terms hereinafter to provide to the Association certain services for the purpose of enabling the Association to carry on such operations

IT IS AGREED:

1. Duration

Unless otherwise terminated in accordance with any of its provisions, this Agreement shall be deemed to have commenced on 1st August 1993 and shall continue in force until the parties otherwise agree or until the expiry of not less than one year's notice of termination given by either party to the other at any time so as to expire on 31st December in any year or on any other date as may be hereafter agreed in writing between the parties.

2. Appointment

2.1 Services shall be authorized and obliged to do all such acts and things as are necessary or desirable for the purpose of the conduct of the run-off of the Reinsurance Contracts.

2.2 Without limiting the general authority in Clause 2.1, Services shall be authorized on behalf of the Association to:

- (a) charge, collect and pay, commissions, fees and sums due;
- (b) enter into reinsurance arrangements by treaty facultatively or otherwise in whole or in part and arrange for the effecting of portfolio transfers;

- (c) reject, contest, admit, adjust, handle, settle, compromise, pay or otherwise dispose of any losses and claims and incidental expenses including, where appropriate, making payments on account and ex gratia settlements;
- (d) defend and prosecute any actions, arbitrations or other proceedings and where appropriate to accept or to acknowledge service of all writs, advices, processes and other communications from time to time requiring to be served on the Association by third parties;
- (e) deal with recoveries including recovering losses and expenses from reinsurers; and
- (f) pay all fees and other duties due in relation to the matters referred to above.

3. Compliance

Services shall provide all services under this Agreement in accordance with all legal and regulatory requirements applicable from time to time, including without limitation the requirements of the Insurance Companies Act 1982 ("the 1982 Act"), the Companies Act 1985, the Financial Services Act 1986 and the Data Protection Act 1984 as amended.

4. Records, Reports and Accounts

4.1 Services shall prepare and maintain policy records in relation to the Reinsurance Contracts which record all transactions, matters and things relating to the run-off of the Reinsurance Contracts. Such records shall belong to and be the property of the Association and be open to the inspection of and audit by the Association, its duly authorised representatives and the duly authorised representatives of any reinsurers of the Association's obligations in relation to the Reinsurance Contracts at all times during normal business hours and at other times by appointment.

4.2 Services shall make all records relating to the Reinsurance Contracts available for inspection by the Secretary of State and his duly authorised representatives and furnish all such information, produce such books and papers, permit such copies to be made and provide such explanations as may be required by the Secretary of State or his duly authorised representatives pursuant to section 44 of the 1982 Act and any like provision.

4.3 The Association shall permit Services, its employees, officers and agents to have such access as is reasonably required by Services for the purposes of performing its obligations under this Agreement to all such accounts, books, records and systems relating to the Reinsurance Contracts which are in the possession of the Association.

5. Accounting between the Association and Services

5.1 The Association shall open and maintain at all times during the appointment of Services under this Agreement a separate bank account or accounts on which designated nominees of Services from time to time will be authorised signatories, to which Services will credit all premiums and other amounts received by it in respect of the Reinsurance Contracts and from which Services will pay all claims, commissions, fees, duties, costs and expenses payable in respect of or in any way relating to the Reinsurance Contracts.

5.2 Services will render to the Association as soon as reasonably practicable after the end of the relevant month but in any event not later than 90 days thereafter statements of account made up to the last day of each calendar month or such other period as maybe hereafter agreed in writing between the parties in respect of the Reinsurance Contracts. The first such statement under this sub-clause shall be made up to cover the period from the deemed date of commencement of the appointment of Services under this Agreement to the last day of the calendar month in which such date falls or such other period as may hereafter be agreed in writing between the parties. The statements of account are to show all premiums, claims and other transactions reflecting the income and outgoings relating to the Reinsurance Contracts.

5.3 Settlement of balances of moneys owing by one party to the other will be in sterling and transactions in all other currencies shall be converted into sterling at the rates of exchange used by Services in its books of

account and approved from time to time by the Association, such transactions complying with any applicable exchange control regulations in force at the date of settlement.

5.4 The Association shall bear any loss incurred in respect of the Reinsurance Contracts otherwise than by reason of the gross negligence or wilful default of Services or its officers, employees or agents.

6. Payment and Budgeting

6.1 The Association shall pay to Services in respect of the performance of Services' obligations hereunder a sum equal to 101% of the total cost to Services of the performance of such obligations, plus any value added tax payable thereon.

6.2 Services shall render an account within 30 days following the end of each calendar month or at such other time as may be hereafter agreed in writing between the parties of the sums payable by the Association under clause 6.1 in respect of such month in such detail as the Association shall reasonably require and the Association shall pay to Services such sum within 20 days following the end of the month to which they relate.

6.3 Prior to the end of each calendar year or at such other time as may be hereafter agreed in writing between the parties, the parties shall discuss and agree a budget for the services to be provided by Services pursuant to this Agreement during the next following calendar year. Such budget shall be reviewed from time to time at the reasonable

request of either party in the light of changing circumstances and shall be amended from time to time to take account of such circumstances.

7. Provision of staff and facilities

Services shall at its own expense provide and control the necessary staff, offices, materials and facilities for the proper and efficient conduct of the run-off of the Reinsurance Contracts and the provision of services under this Agreement.

8. No partnership

Nothing in this Agreement shall constitute any partnership between the Association and Services and Services shall accordingly not at any time be liable for or bear any share of the underwriting or any other liabilities or losses of the Association except to the extent that any such other liabilities or losses shall have arisen by reason of the gross negligence or wilful default of Services or its officers, employees or agents.

9. Variations

None of the terms of this Agreement may be varied or supplemented at any time except by written agreement between the parties.

10. Governing law

This Agreement shall be governed by and construed in accordance with English law.

11. Arbitration

If any dispute or difference arises between the parties in relation to this Agreement (whether arising during or after the period of this Agreement), the same shall be referred to and settled by arbitration in accordance with the schedule hereto.

Schedule

Arbitration

1. All matters in difference between the parties in relation to this Agreement, including its formation and validity, and whether arising during or after the period of this Agreement, may be referred by either party for decision by a sole arbitrator agreed on by the parties, or in default of agreement on whom to appoint, appointed on the application of either of them by the President for the time being of the Institute of Actuaries. The place of arbitration shall be London and the provisions of the Arbitration Acts 1950-1979 shall apply save as varied by the provisions of this Schedule.

2. The award of the arbitrator shall be binding upon the parties hereto, who hereby covenant to carry out the same. If a party shall fail to carry out any award, the other party may apply for its enforcement to a court of competent jurisdiction in any territory in which the party in default is domiciled or has assets or carries on business.

AS WITNESS the hands of duly authorized representatives the parties
and year first above written.

Signed by _____)
for and on behalf of _____)
AFIA in the presence of: _____)

[Signature] 37 Beaumont Street
London E.C. 2

Signed by _____)
for and on behalf of _____)
CIGNA Services U.K. Limited _____)
in the presence of: _____)

[Signature]
CIGNA Services U.K. Limited