

8 February 2010

Our Ref:

Dear General Counsel

**PROPOSED SCHEMES OF ARRANGEMENT FOR THE "EAUA POOLS"
NOTICE OF MEETINGS OF SCHEME CREDITORS IN LONDON ON 30 APRIL 2010**

Further to our practice statement letter of 15 October 2009 ("the PSL") and following a hearing on 30 November 2009, the High Court of Justice of England & Wales has now given its permission for creditors' meetings to be held to vote on the proposed scheme of arrangement under Part 26 of the English Companies Act 2006 (the "Scheme") in relation to the 16 companies listed in Part A of the appendix to this letter (the "Scheme Companies"). Those meetings will be held on 30 April 2010 at the venue named below.

The court has ordered that:

- A single meeting of creditors will be held for English & American Insurance Company Limited ("EAIC");
- A single meeting of creditors will be held for The Home Insurance Company (in Liquidation) ("Home");
- Two meetings of creditors will be held for The Insurance Corporation of Singapore (U.K.) Limited ("ICS") as follows:

1. General Creditors and E&A Pool Creditors; and
2. E&A Pool Participants

as defined in the ICS existing scheme;

- Three meetings of creditors for each of City International Insurance Company Limited, Fuji International Insurance Company Limited, KX Reinsurance Company Limited, Metropolitan Reinsurance Company (U.K.) Limited and Moorgate Insurance Company Limited will be convened as follows:
 1. for Scheme Creditors in relation to their Scheme Claims other than IBNR Claims and claims under (3) below;
 2. for Scheme Creditors in relation to their IBNR Claims other than claims under (3) below; and
 3. for Scheme Creditors in relation to their claims under those UK employer's liability covers listed in Schedule 1 to Appendix F of the Scheme; and

- Two meetings of creditors for each of the remaining 8 Scheme Companies will be convened as follows:
 1. for Scheme Creditors in relation to their Scheme Claims other than IBNR Claims; and
 2. for Scheme Creditors in relation to their IBNR Claims.

The creditors' meetings will be held on 30 April 2010 commencing at 11am with registration from 9.30am. **SEE NOTICE OF MEETINGS ATTACHED**

The venue for the meetings is:

Plasterers' Hall
1 London Wall
London EC2Y 5JU
United Kingdom

We draw your attention to the following documents which are included in the enclosed CD-ROM:

- A map showing the location of the Meetings at Plasterers' Hall;
- Voting Forms;
- The Explanatory Statement, explaining the closure proposal and the business affected by it together with examples of the voting and proxy forms, including guidance notes, for use at the Meetings;
- The Scheme rules together with appendices which include the Estimation Guidelines to be applied by the Scheme Actuary, a definition of the business which is subject to the Scheme and sample Claim Forms;
- EAIC annual report to creditors dated 26 November 2009.

Paper copies of the documents included on the CD-ROM are available on request from PRO Insurance Solutions Limited ("PRO") (see contact details below) or can be downloaded from www.englishandamericanpools.com (the "Website").

If you consider that you may have a claim in the proposed Scheme, we encourage you to vote at the forthcoming meetings of creditors.

If you are a broker or other intermediary who has represented potential Scheme Creditors of the Scheme Companies, then in addition to considering any claim you may have in your own capacity you are requested to bring this letter to the attention of your relevant clients.

You are strongly urged to visit the Website and, if you have not already done so, ask PRO for your Website Password and username. This will enable you to access your secure area of the Website and allow you to submit your vote electronically (see below).

What should you do next?

You may vote at the Meetings either in person or by proxy, by submitting the Voting Form, which is available on the Website or from PRO, in accordance with the instructions accompanying it. In either event, you must provide us with an estimate of your Scheme Claim on the Voting Form. This estimate will be used for voting purposes only and does not limit the amount which you may claim under the Scheme.

You can elect to have your voting details carried forward into your Claim Form when the Scheme becomes effective. If you do this, claims information for voting purposes will be automatically transferred to your Claim Form, which will avoid duplication of effort.

Due to the complexity of the EAUA Pools, we believe it will be much easier for you to enter details of your claims on the Voting Form on the Website following the instructions provided and Scheme Creditors are encouraged to do so. However, blank Voting Forms can also be found on the CD-ROM or are available from PRO upon request.

The Chairman of the Meetings (the "Chairman") will be Ian Marshall, who is independent of the Scheme Companies. Mr Marshall has had no connection with the preparation of the Scheme or with any of the Scheme Companies or the advisers to the Scheme in relation to the Scheme business. A copy of his CV is available on the Website.

If you have any questions regarding the above, or would like to discuss the way in which your claims data is likely to be evaluated under the Scheme process, including the Estimation Guidelines, please contact PRO using the contact details below.

PRO's contact details are as follows:

- **E-mail:** pro_eauapools@pro-ltd.co.uk
- **Post:** EAUA Pools c/o **PRO Insurance Solutions Limited,
Bruton Court,
Bruton Way,
Gloucester
GL1 1DA
United Kingdom**
- **Fax:** +44 (0)1452 523 437 (marked for the attention of Toby Wooldridge)
- **Telephone:** +44 (0)1452 330 514

Sources of information available to you

- You can access the EAUA Pools Website at www.englishandamericanpools.com.
- You should consult advisers and/or your broker or other intermediary for advice.
- You can contact the Scheme helpline by e-mail, fax or telephone (see PRO's contact details above).

Yours faithfully



PRO Insurance Solutions Limited

Enc : CD-ROM version of the Scheme documentation

**APPENDIX
Part A – The “Scheme Companies”**

Current name	Previous names / additional information (if applicable)
The Baloise Insurance Company Limited	
City International Insurance Company Limited	City Insurance Company (UK) Limited
Dowa Insurance Company (Europe) Limited	Dowa Insurance Company (UK) Ltd
East West Insurance Company Limited	
English & American Insurance Company Limited	The general business of Providence Capitol Life Assurance Company Limited (previously Slater Walker Life Assurance Company Limited, Slater Walker Insurance Company Limited and Arrow Life Assurance Company Limited) was transferred 28 February 1988
Fuji International Insurance Company Limited	Fuji Fire & Marine Insurance Company (UK) Ltd
Hiscox Insurance Company Limited	Economic Insurance Company Ltd
The Home Insurance Company (In Liquidation) (as successor in interest through merger to City Insurance Company of New Jersey)	City Insurance Company of New Jersey
The Insurance Corporation of Singapore (U.K.) Limited	
KX Reinsurance Company Limited	Continental Management Services Limited, Lombard Continental Insurance Limited, Lombard Continental Insurance PLC, Lombard Elizabethan Insurance PLC, Lombard Insurance Company (UK) PLC, Lombard Insurance Company (UK) Limited and Maltese Cross Insurance Company Limited
Metropolitan Reinsurance Company (U.K.) Limited	
Moorgate Insurance Company Limited	Pohjola Insurance Company (UK) Ltd
Nippon Insurance Company of Europe Limited	The Nippon Fire & Marine Insurance Company (UK) Ltd
Polygon Insurance Company Limited	
Swiss Re International SE, UK Branch	SR International Business Insurance Company PLC, SR International Business Insurance Company Limited, Switzerland Insurance Company (UK) Limited, and Switzerland General Insurance Company (London) Ltd as a subsidiary of Schweiz Allgemeine Versicherungs-AG
Tower Insurance Limited	The National Insurance Company of New Zealand Ltd

Part B – Pool Companies not proposing to Scheme

Current name	Previous names / additional information (if applicable)
ACE European Group Limited	ACE INA UK Limited, Insurance Company of North America (UK) Limited, Continental Assurance Company of London Limited, Crusader Insurance PLC
Swiss Re Europe S.A., UK Branch	Swiss Reinsurance Company UK Limited, ERC Frankona Reinsurance (II) Limited, GE Frankona Reinsurance Limited, Kemper Reinsurance London Limited, Tower Hill Insurance Company Limited

NOTICE OF MEETINGS

IN THE HIGH COURT OF JUSTICE (IN ENGLAND AND WALES)
CHANCERY DIVISION
COMPANIES COURT
Claim No.s 21232-33, 21237, 21242, 21247, 21251, 21253,
21255, 21257-59, 21261-64 and 21266 of 2009

IN THE MATTERS OF
ENGLISH & AMERICAN INSURANCE COMPANY LIMITED

AND

THE INSURANCE CORPORATION OF SINGAPORE (U.K.) LIMITED

AND

THE BALOISE INSURANCE COMPANY LIMITED
CITY INTERNATIONAL INSURANCE COMPANY LIMITED
DOWA INSURANCE COMPANY (EUROPE) LIMITED
EAST WEST INSURANCE COMPANY LIMITED
FUJI INTERNATIONAL INSURANCE COMPANY LIMITED
HISCOX INSURANCE COMPANY LIMITED
THE HOME INSURANCE COMPANY (IN LIQUIDATION)
KX REINSURANCE COMPANY LIMITED
METROPOLITAN REINSURANCE COMPANY (U.K.) LIMITED
MOORGATE INSURANCE COMPANY LIMITED
NIPPON INSURANCE COMPANY OF EUROPE LIMITED
POLYGON INSURANCE COMPANY LIMITED
SWISS RE INTERNATIONAL SE, UK BRANCH
TOWER INSURANCE LIMITED

AND IN THE MATTER OF THE COMPANIES ACT 2006
PROPOSED SCHEMES OF ARRANGEMENT

NOTICE IS HEREBY GIVEN that, by an order dated 30 November 2009 made in the above matters, the High Court of Justice of England and Wales has directed that meetings ("**Meetings**") be convened of the Scheme Creditors (as defined in the proposed scheme of arrangement referred to below) of the above companies (the "**Scheme Companies**") at 11am (English time), on 30 April 2010, at Plaisterers' Hall, 1 London Wall, London EC2Y 5JU, United Kingdom, for the purpose of considering, and if thought fit, approving (with or without modification) schemes of arrangement pursuant to Part 26 of the Companies Act 2006 proposed to be made between the Scheme Companies and their Scheme Creditors (the "**Scheme**").

All Scheme Creditors are requested to attend the relevant Meetings either in person or by proxy.

Copies of the proposed Scheme and the explanatory statement required to be provided pursuant to Section 897 of the Companies Act 2006 (the "**Explanatory Statement**") can be downloaded from the website at www.englishandamericanpools.com (the "**Website**"). A sample version of the voting and proxy form for use at the Meetings (the "**Voting Form**") can be found at Schedule 8 to the Explanatory Statement. Voting Forms can be completed either on the Website or in paper form.

Scheme Creditors should contact the Scheme Manager, PRO Insurance Solutions Limited, Bruton Court, Bruton Way, Gloucester GL1 1DA, United Kingdom ("**PRO**") to obtain a username and password in order to access their Voting Form on the Website, or to request a paper copy of the Voting Form. Paper copies of the Scheme and Explanatory Statement can also be obtained on request from PRO. PRO's contact details are as follows:

E-mail: **Pro_eauapools@pro-ltd.co.uk**

Fax: **+44 (0)1452 523 437**

Phone: **+44 (0)1452 330 514**

Scheme Creditors are strongly encouraged to enter their details directly on to Voting forms on the Website.

Scheme Creditors are requested to return their completed and signed Voting Forms together with supporting information to PRO by post, fax or e-mail at the above contact details, marked for the attention of Toby Wooldridge to be received by 11am (English time) on 30 April 2010. Failure to submit your Voting Form by this deadline could result in your vote being excluded. Faxed or e-mailed forms will not be accepted unless legible. In any event, Scheme Creditors must return the original signed Voting Form and any supporting information to PRO, marked for the attention of Toby Wooldridge to be received no later than 14 days after the Meetings.

Scheme Creditors who wish to attend the Meetings in person or by proxy must hand their Voting Form in at the registration desk prior to the Meetings.

If approved by the requisite majority of Scheme Creditors, the Scheme will be subject to the subsequent approval of the Court.

For further information in this regard, please contact PRO.

DATED FEBRUARY 2010