

EXHIBIT A-2
ZURICH SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT

This Agreement (the "Agreement") is made on this 30th day of November 2004

BETWEEN:

1. **ZÜRICH VERSICHERUNG AKTIENGESELLSCHAFT (DEUTSCHLAND)** of Solmsstrasse 27-37, 60486 Frankfurt am Main, Germany as legal successor to the rights and obligations of Agrippina Versicherung Aktiengesellschaft ("Agrippina")

AND

2. **THE HOME INSURANCE COMPANY** (in provisional liquidation in England and Wales and in liquidation in the State of New Hampshire) of 286 Commercial Street, Manchester, New Hampshire 03101-1138, USA ("Home")

together referred to as the "Parties"

Recitals

WHEREAS:

- (A) By instrument dated 21st June 2000 and shareholders' resolution of 17th August 2000 the rights and obligations of Agrippina Versicherung Aktiengesellschaft were transferred to Zürich Versicherung Aktiengesellschaft (Deutschland).
- (B) Agrippina and/or the members of the Ruty pool directly or through the M. E. Ruty Underwriting Agency Limited (the "Ruty Agency") entered into the following agreements:
 - (a) Agency Agreement dated 1st July 1962 and Addenda Numbers 1 to 3 thereto;
 - (b) Insolvency Shortfall Agreement signed by Agrippina on 18th November 1965; and
 - (c) Agency Agreement dated 6th January 1967 and Addendum Number 1 and 2 theretowhich are in Appendix 1 and are together referred to as the "Agency Agreements", by which Agrippina became a member between 1st July 1962 and 31st December 1967 of the group of companies writing insurance and reinsurance business through the Ruty Agency who were together known as the "Ruty Pool".
- (C) On or about 1st December 1977, Agrippina as reassured entered into a reinsurance contract (which is in Appendix 2) with Home as reinsurer in respect of certain of Agrippina's rights and obligations under contracts of insurance and reinsurance which had been accepted by the Ruty Agency pursuant to the Agency Agreements ("Treaty R").
- (D) On 26th August 1999, Home commenced arbitration proceedings against Agrippina (the "Arbitration Proceedings") by which Home sought, inter alia, a declaration that it was entitled to avoid Treaty R.
- (E) On 8th May 2003, Home was placed into provisional liquidation in England and Wales pursuant to the Order of Mr Justice Pumfrey which is in Appendix 3.



- (F) On 11th June 2003, Home was placed into liquidation in the State of New Hampshire, USA. pursuant to the Order which is in Appendix 4.
- (G) The Parties desire to accomplish a full and complete settlement and compromise of all disputes arising under or relating to Treaty R between Agrippina and Home with respect to the Agency Agreements, Treaty R and all policies and contracts reinsured thereunder.
- (H) The Parties desire that their settlement and compromise shall be enforceable upon the terms and conditions of this Agreement following execution by each Party of a copy of this Agreement, even if only separate copies of it are executed.

Agreement

NOW IT IS AGREED AS FOLLOWS:

1. **Definitions**

In this Agreement, unless the context otherwise requires or otherwise expressly provides the following expressions shall bear the following meanings.

The words printed in bold typeface in the Recitals hereto shall bear the meanings there ascribed to them.

"AISUK" shall mean ACE INA Services UK Limited of London, England.

"Court" shall mean the Superior Court of Merrimack County, State of New Hampshire, USA.

"Coverage Costs" shall mean (a) the professional fees and expenses of legal representatives, experts or other third parties, including arbitrators, appointed by Home or by the leading insurer on behalf of Agrippina in connection with any dispute (including an action for a declaration of rights under a Policy) or potential dispute arising out of a claim which has been or which may be asserted under a Policy by a Policyholder; and/or (b) Agrippina's liability either pursuant to an adverse costs order or award made by a competent court or arbitration panel or pursuant to an agreed settlement in connection with any such dispute.

"Extra Contractual Obligations" shall mean those liabilities or damages which are not covered under a Policy or which are in excess of the limit of a Policy and which are either awarded to a Policyholder by a court or arbitration panel of competent jurisdiction or paid to a Policyholder as an agreed settlement arising from the handling of any claim covered under a Policy by reason of (a) the failure to settle such claim within the Policy limit; or (b) actual or alleged negligence, fraud or bad faith with respect to such claim in rejecting an offer of settlement or in the preparation of a defense in the trial of any action against a Policyholder or in the preparation or prosecution of an appeal consequent upon such action.

"IBNR Account" shall mean the account specified in Appendix 5.

"Fixed Pool Share" refers to the 'fixed quota share' percentages referred to in the Agency Agreements which provide as follows:

- 1.1.1 between 1.7.62 and 31.12.63 (under First Schedule of 1962 Agency Agreement signed on behalf of Agrippina on 5th July 1962) 25% any one acceptance;
- 1.1.2 between 1.1.64 and 31.12.65 (by Addendum No. 3 signed on behalf of Agrippina on 22nd September 1964) 25% any one acceptance;

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1.1.3 between 1.1.66 and 31.12.66 (by Agency Agreement signed on behalf of Agrippina dated 6th January 1967) 22.5% any one acceptance;

1.1.4 between 1.1.67 and 31.12.67 (by Addendum No.1 to 1967 Agency Agreement signed on behalf of Agrippina on 21st July 1967) 28.12% any one acceptance;

"ISA" shall mean the Insolvency Shortfall Agreement signed by Agrippina on 18th November 1965 and section 18(b) of the Agency Agreement dated 6th January 1967 and the agreements between Ruty Pool members which arise by virtue thereof.

"LMCS Fee" shall mean a fee paid to the London Market Claims Service for copies of attorneys' reports and other materials and information disseminated by that body but not including so-called "London Representative Costs" billed through LMCS relating to services conducted in the USA.

"Policy" shall mean

- (1) a policy and/or contract of insurance and/or reinsurance written by the Ruty Agency for Agrippina pursuant to the Agency Agreements other than the ISA in favour of an assured or reassured who was not a member of the Ruty Pool at the time such policy incepted; and/or
- (2) a contract of reinsurance which arose by virtue of the Agency Agreements other than the ISA between (a) Agrippina (as reinsurer) and (b) (as reassured) those Ruty Pool members other than Agrippina who subscribed to agreements similar in form to the Agency Agreements and on whose behalf a policy and/or contract of insurance and/or reinsurance was written by the Ruty Agency in favour of assureds and reassureds who were not members of the Ruty Pool at the time such policy and/or contract and/or reinsurance incepted.

"Policyholder" shall mean the assured or reassured and their successors and assigns and each person entitled to claim and/or to the benefit under a Policy.

"Policy Expense" means Coverage Costs and Policyholder's Expenses.

"Policyholder's Expense" means Agrippina's liability with respect to either an adverse order or award for costs made by a competent court or arbitration panel or an agreed settlement in connection with a dispute arising out of a claim asserted by a third party against a Policyholder which do not fall within the coverage provided by a Policy.

"Policy Liability" means Agrippina's liability under the terms of a Policy for amounts due in satisfaction of claims for indemnity and/or for expenses covered by that Policy which are asserted against Agrippina by a Policyholder.

2. Interpretation

2.1 Clause headings are for ease of reference only and shall not affect the interpretation of this Agreement.

2.2 In this Agreement, unless inconsistent with the context or expressly otherwise specified:

2.2.1 references to clauses and/or Schedules and/or Appendices are references to clauses and/or Schedules and/or Appendices of this Agreement;

- 2.2.2 references to (or to any specified provision of) this Agreement shall be construed as references to this Agreement (or that provision) as in force for the time being and as amended in accordance with its terms;
- 2.2.3 the singular includes the plural, the masculine all genders and vice versa;
- 2.2.4 references to any statute or statutory provision include the same as amended re-enacted or consolidated.

3. **Condition Precedent**

It shall be a condition precedent to the legally binding effect and enforceability of this Agreement that the Court shall have approved its terms by no later than 28th February 2005. In the event that this condition is not so satisfied, this Agreement will be null and void and of no legal effect.

4. **Treaty R - General**

- 4.1 Subject to the terms of this Agreement, as between Home and Agrippina Treaty R is valid and binding, and Home's claim in the Arbitration to rescind Treaty R is hereby abandoned and withdrawn for all time.

- 4.2 The following clauses of Treaty R shall be amended as set out below:

From Article IV the sentence "The Reinsurers shall bear all expenses of whatever nature which would otherwise have been claimed or requested from the Reassured by the Agent during the run off period." shall be deleted and replaced by "Home shall bear all expenses as expressly set out in the Agreement dated 30th November 2004 between Agrippina and Home".

Article VI shall be deleted and replaced by "For the purposes of this agreement Home shall be deemed to have received notice of all Agrippina's claims which are reinsured hereunder insofar as those losses are notified to Home and its agents. In respect of all other claims which are reinsured hereunder, Agrippina shall notify Home of the same promptly upon Agrippina's learning thereof."

The final page of Treaty R in which the M. E. Ruty Underwriting Agency Ltd acknowledge and commit themselves to certain obligations shall be deleted and shall be replaced by Article 6 hereof.

- 4.3 The Agency Agreements whether construed alone or together with Treaty R and this Agreement shall give rise to no rights against and no obligations on the part of Home.
- 4.4 The terms of Treaty R and of this Agreement shall be construed so as to give meaning and effect to them when read together. However, in the event of any conflicting interpretations of provisions of these documents, then notwithstanding anything to the contrary in Treaty R, as amended as set out above, the terms of this Agreement shall prevail.
- 4.5 Save as set out expressly in this Agreement and in Treaty R (as amended by this Agreement), Home has no obligations and owes no duties whatsoever to Agrippina and Agrippina has no rights or causes of action whatsoever against Home, whether arising out of in connection with or under Treaty R (in its original form) or the Agency Agreements or the ISA.

5. **Treaty R – Policy Obligations**

- 5.1 In respect of each and every Policy, Home shall be liable to indemnify Agrippina for the Fixed Pool Share of Agrippina's Policy Liabilities.
- 5.2 Nothing in this Agreement is intended or shall be construed to create obligations or duties directly or indirectly owed by Home to Policyholders.
- 5.3 For the avoidance of doubt Home does not reinsure and Home has no liability whatsoever in respect of or arising out of the insolvency of any member of the Ruddy Pool whether under the ISA or otherwise howsoever.

6. **Treaty R - Administration**

- 6.1 Within 14 days of the date when this Agreement becomes of binding legal effect under Article 3 hereof Agrippina shall pay GBP 20,000 (in cash without set off or diminution thereof) to Home's account the details of which are in Appendix 6.
- 6.2 Interest shall accrue in favour of Home at the rate of 5% per annum in respect of any part of the sum due under 6.1 which remains unpaid at the date upon which it falls due.
- 6.3 Where Policyholders asserts claims against Agrippina under Policies:-

6.3.1 Home shall, either itself or through AISUK, have the sole right to and will investigate, adjust and admit or refute liability for such claims in the name and with the authority (which is hereby granted and/or confirmed) of Agrippina. Home will, either itself or through AISUK, advise Agrippina of adjusted claims and will provide Agrippina with pertinent information to distinguish so far as is possible between Policy Liabilities, Coverage Costs, Policyholders' Expenses, underwriting years and such other information which is necessary

- (a) for Agrippina to administer, account, settle and pay the claims, including information which enables Agrippina to maintenance and reconciliation of its accounts with brokers and/or Policyholders and its reserves for notified outstanding losses;
- (b) for Agrippina to administer the billing and collection of sums due from other Pool Members; and
- (c) for the determination of claims in Home's estate.

6.3.2 Agrippina agrees that Home's obligations pursuant to 6.6.1 and 6.6.2 shall, immediately upon being established, be treated as falling within Agrippina's Proof of Claim and Home agrees to do all things necessary to have such obligations admitted into Home's estate for the purposes set forth in 6.7.

6.3.3 Agrippina agrees that the Fixed Pool Share of its Policy Liabilities in relation to claims by Policyholders which have been adjusted by Home or AISUK, as the case may be, and for which Agrippina's liability has been established pursuant to 6.3.1, shall automatically be deemed to form part of Agrippina's Proof of Claim submitted in Home's estate and shall immediately be capable of determination and admission in and to such estate. With respect to claims which have been so adjusted by AISUK and for which Agrippina's liability has been established pursuant to 6.3.1, Agrippina hereby consents to AISUK effecting submission thereof to Home on its behalf for purposes of determination and admission of such claims in and to Home's estate.

- 6.4 Home will bear its internal costs and salaries associated with its obligations under 6.3 and 6.5.
- 6.5 Where Home in its discretion considers it proper to do so in connection with a claim asserted against Agrippina under a Policy, Home shall, either itself or through AISUK, have the sole right to and will contest the claim and appoint lawyers, adjusters, experts and other third parties in Agrippina's name in connection with such claim with the authority (which is hereby granted and/or confirmed) of Agrippina.
- 6.6 In addition to the obligations set out in 5.1 hereof:
- 6.6.1 Provided always that such Policy Expenses do not arise by any litigation caused by delay, failure or omission of Agrippina, and solely in respect of Policy Expenses which arise out of litigation conducted in any jurisdiction other than the USA, Home will in the first instance advance all those Policy Expenses including that proportion of Policy Expenses which exceeds Agrippina's Fixed Pool Share of Policy Expenses in respect of a particular Policy, but Agrippina shall then reimburse that said proportion to Home; provided that in the event that and to the extent that Home successfully recovers the same from the Policyholder, Home shall pay over such recovery to Agrippina less the proportion of any and all fees and expenses incurred by Home in obtaining such recovery.
- 6.6.2 In respect solely of Policy Expenses which arise out of litigation conducted in the USA, Agrippina will in the first instance bear all such Policy Expenses, but Home shall then reimburse Agrippina in an amount equal to Agrippina's Fixed Pool Share of such Policy Expenses; provided that in the event and to the extent that Agrippina successfully recovers the same from the Policyholder, Agrippina shall pay over such recovery to Home less the proportion of any and all fees and expenses incurred by Agrippina in obtaining such recovery.
- 6.6.3 Agrippina will indemnify Home against any liability for Extra Contractual Obligations and related expenses which arise due to action, inaction, delay, failure or omission of Agrippina or its agents or representatives (which, for the avoidance of doubt, do not include Home or AISUK) .
- 6.6.4 Home will indemnify Agrippina against any liability for Extra Contractual Obligations and related expenses which arise due to action, inaction, delay, failure or omission of Home or AISUK or their agents or representatives with respect to Home's obligations under 6.3 or 6.5.
- 6.6.5 Home will bear all LMCS Fees payable by Agrippina
- 6.7 Home agrees that Home's obligations under 6.6.1, 6.6.2, 6.6.4 and 6.6.5 hereof will have administrative expense priority pursuant to the law of New Hampshire, USA, in particular N.H. RSA 402-C:44,I.
- 6.8 Every quarter Home will render Ruddy Pool account reports to Agrippina in the format and containing the information set out in Schedule 1 hereto and every year Home will render a summary annual pool account report to Agrippina in the format and containing the information set out in Schedule 2 hereto.
- 6.9 Agrippina will at its own cost administer and pay for the administration of the billing and collection of sums due from other Ruddy Pool members pursuant to the Agency Agreements and the ISA, and of sums claimed from Agrippina to other Ruddy Pool members under the ISA.

6.10 Agrippina agrees to pay and/or reimburse Home's costs and expenses for exceptional work which lies outside the services set out as provided for in this Agreement. It is noted (but without creating any obligations hereunder on the part of Home or AISUK) that AISUK will carry out any such work and that AISUK will charge for services outside of those provided for in this Agreement upon a reasonable hourly fee basis.

7. Use of Agrippina's disclosure

7.1 Home has provided Agrippina with copy documents from Agrippina's disclosure in the Arbitration Proceedings which Home intends to rely upon in dealings with and proceedings against other members of the Ruddy Pool which are set forth in Appendix 7. Agrippina has advised Home that certain other members of the Ruddy Pool have already made a general objection to Home's use of these documents. The Parties therefore agree that where a Ruddy Pool Member may object to Home's use of or reliance upon any of the documents in Appendix 7 in proceedings with that Pool Member, Home's entitlement to use or rely upon any such documents shall be determined by the relevant court or arbitration tribunal which is seized of the proceedings between Home and the other Ruddy Pool member. Agrippina agrees that it will not oppose any application made to any relevant court or arbitration tribunal concerning Home's right to adduce and / or rely upon any such documents.

8. Reimbursement of funded balances

8.1 The Parties agree that Agrippina will reimburse Home for all balances in excess of Agrippina's Fixed Pool Share of liabilities on Agrippina fronted policies (to the extent that such balances relate to insolvency shortfall liabilities) which Home has previously funded plus interest at a rate of 5% from the date on which the relevant claim was agreed (and not the date on which the claim was actually paid) provided that the date on which the claim was agreed was on or after the Notice of Arbitration. However, before making any payment hereunder Agrippina shall be entitled to set off against any amount due to Home under this clause 8.1 (a "Reimbursement Amount") any Policy Liability or Policy Expense which in either case is approved by the Court as due to Agrippina from Home under or in pursuance of Treaty R (a "Reinsurance Amount") and Agrippina shall only be obliged to pay to Home the amount by which the aggregate of all Reimbursement Amounts exceeds the aggregate of all Reinsurance Amounts.

8.2 The amounts to be paid by Agrippina under this Agreement, if any, shall, within 14 days of this Settlement Agreement be paid into a segregated trust account in the names of Home and Agrippina (the "Reimbursement Trust Account"). Home will be entitled to the benefit of all interest earned on the sums held in the Reimbursement Trust Account. When Agrippina's claims for Policy Liabilities have been admitted by the Court, Agrippina will be entitled to be paid from the Reimbursement Trust Account a sum equivalent to the total of those admitted claims until such time either as Agrippina has no further claims against Home's estate which Agrippina can setoff against the funds in the Reimbursement Trust Account or until the Reimbursement Trust Account balance has been withdrawn entirely by Agrippina pursuant to this 8.2.

9. Ruddy Pool Reinsurance Collections

9.1 Agrippina shall at its own expense have the sole entitlement and authorisation to claim and pursue and retain sums due to Agrippina from other members of the Ruddy Pool under the Agency Agreements and the ISA in respect of Policy Liabilities and Policy Expenses admitted and/or paid by Agrippina.

- 9.2 Save as set out in 9.1 hereof, at Home's expense Home has the sole entitlement and authorisation in Agrippina's name to bill and collect and retain all sums due to Agrippina from reinsurers of Ruddy Pool members (whether for "common account" or otherwise) and all other income due to Agrippina and Home pursuant to Article IV of Treaty R.
- 9.3 At Home's expense, Home has the sole entitlement and authorisation in Agrippina's name to sue and defend all forms of legal proceedings brought by or against reinsurers of the members of the Ruddy Pool and to enter into all kind of arrangements with reinsurers and other debtors of Ruddy Pool members pursuant to Article IV of Treaty R including compromise of claims and compromise or commutations or buy-backs of policies, and to take steps in relation to liquidation proceedings, schemes of arrangement, and similar proceedings for the purpose of collecting sums from such reinsurers and debtors.
- 9.4 Home shall, either itself or through AISUK, keep Agrippina fully informed of such steps which it takes outside the normal course of collecting reinsurance assets pursuant to 9.3. Home, either itself or through AISUK, will notify Agrippina before Home enters into a commutation agreement with a policyholder or a reinsurer of the Ruddy Pool. Should Agrippina request the same within 21 days of receiving such a notification, Home agrees to arrange for a certificate as to the reasonableness of the proposed commutation from an independent actuary, the cost of which will be shared equally by Home and Agrippina. If the parties cannot agree upon the appointment of an independent actuary, the independent actuary shall be appointed by the President of the Royal Society of Actuaries. Home and Agrippina agree to be bound by the independent actuary's findings.
- 9.5 Home shall be entitled absolutely to all receipts pursuant to 9.2 and 9.3. Should Home actually receive any cash payments from a Ruddy Pool reinsurer in excess of the paid claims and outstanding loss reserves notified to that reinsurer, as part of a commutation agreement or scheme of arrangement or other settlement, then in respect of such cash payment which is in excess of the paid claims and notified outstanding loss reserves:
- 9.5.1 Home will notify Agrippina of such receipt and
- 9.5.2 Home shall have the right to deduct and retain from that amount a 5% service fee by way of remuneration for Home's obligations hereunder and
- 9.5.3 Home shall pay the remaining 95% of such receipt into the IBNR Account.
- 9.5.4 Home shall keep a record of the claims which would, but for the commutation agreement, or scheme of arrangement or other settlement, have been billed to the relevant reinsurer, and once the total of such claims exceeds the balance of the amounts paid to Home pursuant to 9.2 and 9.3 hereof which is not paid into the IBNR Account, then provided that Agrippina has submitted the corresponding claims under Treaty R to Home and Home admits liability to Agrippina in respect thereof, Home shall be entitled to withdraw the corresponding reinsurance sum from the IBNR Account (until it is exhausted) and Agrippina will forthwith supply all instruments and consents necessary to effect such a transaction.
- 9.5.5 For the purposes of calculating the claims which would, but for the commutation agreement, have been billed to the commuting reinsurer under 9.5.4, the Parties shall treat all such amounts paid to Policyholders (by way of commutation, policy buy-back or otherwise) as if they were paid claims pursuant to the terms of relevant Policy, and Home will be entitled to the corresponding withdrawals from the IBNR Account until it is exhausted.

9.5.6 Notwithstanding the provisions of 9.5.4 and 9.5.5, in the event that (a) Agrippina relinquishes in writing its claim to the proceeds then remaining in the IBNR Account; (b) Agrippina notifies Home in writing that it has elected not to terminate Treaty R; or (c) a Scheme of Arrangement with respect to Home's UK business is fully and finally approved by a court of competent jurisdiction, Home shall be entitled to withdraw in full the balance in the IBNR Account and Agrippina will forthwith supply all instruments and consents necessary to effect such a transaction.

9.6 Should Home effect a recovery of any sum from a reinsurer of the Ruddy Pool which has been subject to a setoff relating to an undisputed claim by that reinsurer against Agrippina then Home will notify Agrippina of this whereupon Agrippina will pay Home the cash equivalent of the amount which was subject to such setoff. Alternatively, where Home fails to recover any sum due from a reinsurer of the Ruddy Pool because of a valid setoff by the reinsurer against a claim against Home then Home will recognise a corresponding claim against its estate, equal to the amount by which the setoff reduces the IBNR portion of that sum due from the reinsurer of the Ruddy Pool and Home will pay that amount into the IBNR Account whereupon it will be treated in accordance with 9.5 hereof. If such a reinsurer should attempt to effect an invalid set off, Home will either contest such a purported set off to determine, either judicially or through arbitration, its invalidity (with such determination being final and binding upon the Parties) or, alternatively, at its election, will accede to such a purported set off and will pay into the IBNR an amount equal to the sum which was allegedly invalidly set off.

10. Termination of Treaty R

10.1 In the event that Agrippina terminates Treaty R pursuant to Article IX thereof prior to the final approval of a Scheme of Arrangement in relation to Home's UK business by a court of competent jurisdiction:

10.1.1 Agrippina shall be entitled to all sums remaining in the IBNR Account, including any accrued interest thereon, which are not otherwise due to Home, and Home shall be entitled to all sums remaining in the Reimbursement Trust Account, including any interest thereon, which are not otherwise due to Agrippina.

10.1.2 Home's accrued entitlement to sums due under 6.1, 6.2, 6.6.1, 6.6.2, 6.6.3, 6.10, 8, 9.5. and 9.6 at the time that termination of Treaty R is effective shall not be affected and Agrippina shall be liable in respect thereof.

10.1.3 Agrippina's accrued entitlement to sums due under 5.1, 6.6.1, 6.6.2, 6.6.4, 6.6.5, 8, 9.1 and 9.6 at the time that termination of Treaty R is effective shall not be affected and Home shall be liable in respect thereof.

10.1.4 The rights and obligations of the Parties under Treaty R and this Agreement shall be terminated except as specified in 10.1.1, 10.1.2, 10.1.3, 11.1 and 12.

10.1.5 At the time that termination of Treaty R is effective, 6.3.3 shall be of no further force or effect.

11. Inspection Provision

11.1 Each Party shall to the extent reasonable, and upon giving no less than 14 days notice, be entitled to inspect the books, records, and correspondence of the other Party relating to their management of the run-off of the M. E. Ruddy Underwriting Agency Ltd book of business

insofar as they relate to Agrippina's participations in Policies or reinsurances of Agrippina. The rights set forth in this 11.1 shall survive termination of Treaty R and/or this Agreement.

12. Miscellaneous

- 12.1 This Agreement shall be binding upon and shall benefit the Parties as well as their successors, subsidiaries and assigns. The Parties do not intend that any term of this Agreement should be enforceable by any person who is not a party to this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 12.2 It is acknowledged that the liquidator and provisional liquidators of Home and their respective advisers, servants, employees and agents shall incur no personal liability whatsoever under this Agreement or any document entered into pursuant to or in connection with it.
- 12.3 This Agreement shall constitute the entire Agreement between the Parties hereto relating to the subject matter hereof and this Agreement may not be amended, except by written amendment executed by each of the Parties.
- 12.4 The Parties to this Agreement shall not attempt to re-open or set it aside in the future on the grounds that it becomes aware of any mistake of law (including any such mistake arising out of a subsequent change of law) or mistake of fact relating to this Agreement or the subject matter hereof.
- 12.5 The validity of this Agreement shall be in no way conditional upon the entering into or validity of any other Agreement by the Parties hereto.
- 12.6 Each of the Parties represents that it has had full opportunity to consult its respective legal advisers in connection with the review of this Agreement, that it has carefully read and understands the scope and effect of each provision contained in this Agreement, and that it is not relying upon any representations made by any of the Parties, their legal advisors or any other representative.
- 12.7 The terms of this Agreement shall be confidential to the Parties, save for:
- 12.7.1 Disclosure as a result of any court order, legal obligation, regulation or accounting procedure or lawful discovery procedure; and/or
 - 12.7.2 Disclosure to legal representatives, auditors, shareholders, governmental authorities, regulators and retrocessionaires; and/or
 - 12.7.3 Disclosure to any other person with the prior written consent of the other party, such consent not to be unreasonably withheld; and/or
 - 12.7.4 Disclosure to the Court.
- 12.8 The Parties represent and warrant that they have the necessary power and specific authority to enter into this Agreement.
- 13. Arbitration Proceedings and Jurisdiction of English Court**
- 13.1 Subject to Article 3, the Parties agree to withdraw and abandon all their claims made in the Arbitration Proceedings.
- 13.2 There shall be no order as to costs in the Arbitration Proceedings, and each party thereto shall bear its own legal costs and the costs to date of its appointed arbitrator.



APPENDIX 1

M. E. RUTTY

THIS AGREEMENT is made the ^{First} day
of ~~July~~ ^{37/74} One thousand nine hundred and sixty-two ^{Some 100-}
BETWEEN M. E. RUTTY UNDERWRITING AGENCY LIMITED of 10/11 Lime
Street London E.C.3. (hereinafter referred to as "the Agency")
of the one part and AGRIPPINA VERSICHERUNGS AKTIONSGESellschaft
of 90 RIEHLER STRASSE, (22c) COLOGNE 16, GERMANY.

(hereinafter referred to as "the Company") of the other part
WHEREAS the Agency has been incorporated in order
to carry on the business of an underwriting agency for the
purpose of accepting all classes of Insurance and Reinsurance
business (subject to exclusions as defined in the Second Schedule
hereto) and it has been agreed that it should enter into
Agreements with the Company and with the other Companies listed
in the First Schedule hereto in the terms of this Agreement

NOW THIS AGREEMENT WITNESSETH and it is HEREBY AGREED AND
DECLARED as follows :-

- IN this Agreement unless the context otherwise requires
the following words and phrases shall bear the meanings set
opposite to them :-
"Risk and Insurance" Any policies, slips,
certificates and contracts;
treaties, covers of insurance or
reinsurance indemnity or guarantees
"Underwriting year" 1st January to 31st December
(inclusive) in any year save that
the first underwriting year shall be
the period from 1st July, 1962
to 31st December 1963 (inclusive)
"Participating Companies" The Companies listed in the First
Schedule hereto

2. THE Company hereby authorises the Agency to underwrite any
Risk whatsoever on its behalf for an amount not exceeding 25%
of the limits set out in the Second Schedule hereto and the
Company binds itself to accept liability for its share of each

Risk accepted on its behalf The liability of the Company shall remain in force until the expiration of the term of the Insurance to which such Risk appertains

3. ALL Risks underwritten and entered in the books of the Agency during an Underwriting year shall for the purposes of this Agreement be deemed to have been undertaken in that Underwriting year and all matters relating to such Risks shall be referred back to that Underwriting year and adjustments made to the accounts of that year accordingly

4. THE Agency may at its absolute discretion reinsure the whole or part of any Risks and/or Insurances such reinsurances being effected for the common account of the Participating Companies and the Company shall bear its proportionate part of the premium paid and expenses incurred in respect of such reinsurances

5. THE Agency shall furnish the Company upon request with particulars of all Risks and/or Insurances effected under this Agreement and the Agency shall enter in a Register details of each Risk and the amount of the Company's participation

The books and documents of the Agency so far as they relate to matters falling under this Agreement shall be open at all reasonable times to the inspection of the Company by its duly authorised representative

6. IT is mutually agreed that any inadvertent delays, omissions or errors made in connection with any Risk and/or Insurance effected under this Agreement shall not be held to release either party hereto from any liability which would attach to them hereunder if such delays omissions or errors had not been made and it is further agreed that in all things coming within the scope of this Agreement the Company shall share to the extent of its interests the fortune of the Risk and/or Insurance This being an Agreement between the parties in a spirit of trust with one another the Company is bound in every case to follow the fortune of the Risk and/or Insurance and any error or omission which may arise in the execution of the terms of the present Agreement will

not under any circumstances alter the spirit of it or nullify the responsibility accepted under it

7. * ALL premium received in respect of Risks and Insurances effected under this Agreement shall be credited to the Participating Companies after deducting all allowances taxes and charges as agreed by the Company

8. AS soon as practicable after the close of the quarters (Sub) ending 31st March 30th June 30th September and 31st December the Agency will forward an account current to the Company and payment of the balance of such account shall be made by the debtor to the creditor within thirty days after despatch of such account In such quarterly accounts the Company will be debited with Eighty per centum (80%) of its fixed quota share of premiums received to be credited to the Premium Reserve Fund hereinafter mentioned The Premium Reserve Fund will be applied first in meeting losses and if at any time the Premium Reserve Fund is insufficient for this purpose the Company shall remit to the Agency within fourteen days of notification by the Agency the amount of its share of such deficiency Subject as hereinafter provided any amount standing to the credit of the Premium Reserve Fund will be retained by the Agency for three years and the balance (if any) of sums so credited after making provision for all outstanding losses will be accounted for to the Company in the thirteenth quarter following the commencement of any one Underwriting year

9. THE Agency shall be entitled at its absolute discretion to invest the whole or any part of the sums for the time being standing to the credit of Premium Reserve Fund in any investments authorised by law for the investment of trust moneys or place the same on deposit with any bank discount house or Local Authority and to change such investments (Sub) Any income on such investments shall be paid to the Participating Companies in accordance with their shares Any profits or losses on the realisation of such investments shall be credited or debited

to Premium Reserve Fund } A statement giving details of all investments held by the Agency on behalf of the Participating Companies will be forwarded by the Agency to the Participating Companies with the June and December accounts and the Companies' share of the income on such investments will be paid by the Agency to the Company within thirty days after the 31st December of each year

The Agency shall be under no liability whatsoever for any losses incurred on such investments

10. IT is understood and agreed that the premiums payable under this Agreement apart from Sterling United States Dollars and Canadian Dollars shall be accepted by the Company in Sterling at the rates of exchange which may from time to time be adopted as appropriate by the Agency and that amounts recoverable for losses shall hereafter be debited at the same rate of exchange as that employed at the time of settlement of claim by the Agency

11. THIS Agreement shall take effect for all entries appearing in ~~July~~ ~~One thousand nine hundred and sixty two~~ and subsequent registers and shall remain in force until terminated by either party giving to the other not less than six months' notice in writing to expire on the 31st December of any year during the currency of this Agreement

But should at any time the Company :-

- (a) Commit any breach of the terms of the Agreement; or
- (b) Lose the whole or part of its paid-up capital; or
- (c) Become insolvent or suspend payment of its debts or enter into any arrangement with its creditors or cease or threaten to cease to carry on its business; or
- (d) Go into liquidation or a Receiver be appointed; or
- (e) Be acquired or controlled by any other Company or Corporation

the Agency shall have the right to terminate this Agreement at any time by giving notice in writing to the Company

The liability of the Company shall continue in accordance

with the terms of this Agreement in respect of each Risk and/or Insurance accepted by the Agency on its behalf until the date of the termination thereof and any acceptances by the Agency whether before or after any such notice is given as aforesaid shall remain in force and the liability of the Company thereunder shall continue until the expiration of such Risk and/or Insurance in the ordinary course of business

12. THE Agency reserves to itself the sole right to settle losses whether by way of compromise ex gratia payment or otherwise and all settlements shall be unconditionally binding on the Company. The Agency may contest any claim and institute any action it thinks fit in relation to a claim and the Company shall be liable for its share of the claim and all costs and expenses incurred in connection therewith but the Company shall be entitled to its share of any salvages or recoveries relating to such claim

13. THE Company shall pay the Agency a commission of 5% and 2% Agency allowance on the net premiums payable under this Agreement.

The Company shall pay the Agency a commission of 12½% on the profits of each Underwriting year to be calculated after the end of 12 quarters as follows :-

Income

1. All Premiums less expenses in connection with reinsurance for joint agency account

Outgo:

1. Commission and Agency allowances
2. Claims paid less refunds and recoveries under reinsurance for joint agency account
3. Reserve for Outstanding Losses
4. Three per centum (3%) of income in respect of Company's expenses

In the event of any alteration being made to the figures used in calculating the aforesaid commission on profits in any

Sinh

one Underwriting year the commission shall be adjusted subsequently in accordance with the revised figures

14. IF for any reason one or more of the Participating Companies withdraws from its participation in the Agency or its Agreement is terminated then the fixed quota share or shares of such company or companies shall be offered to the remaining companies PROVIDED ALWAYS that the Agency shall have the right to allocate such share or shares to new companies approved by the remaining Participating Companies In the event of any part of the available share or shares still remaining unallocated the Agency shall be entitled to increase the reinsurances effected in order that the remaining Participating Companies' shares of the limits set out in the Second Schedule hereto are not increased from that stated In the event of any of the Participating Companies not being able to fulfil their obligations under this Agreement the remaining Participating Companies are absolved from any liability accruing as a result of the failure of any other Participating Company

15. IN the event of the Company going into liquidation becoming insolvent suspending payment entering into any arrangement with its creditors ceasing to carry on business or having a Receiver appointed or making any default hereunder or of notice being given in accordance with Clause 11 to terminate this Agreement no further payments under this Agreement or out of the Premium Reserve Fund shall be made by the Agency to the Company All sums due or which may thereafter become due from the Agency to the Company shall be retained and held in Trust for the purposes herein mentioned Thereafter any sums payable by the Company to the Agency in respect of losses or returns of premiums or otherwise shall be debited against and paid out of the Premium Reserve Fund and the balance (if any) of such Fund shall not be paid over to the Company until all its liabilities under this Agreement shall have been ascertained and satisfied In the event of the Premium Reserve Fund proving

insufficient to satisfy all such liabilities the amount remaining unsatisfied shall be paid by the Company to the Agency forthwith

Furthermore it is hereby agreed (in addition to the above provisions and without limiting same) that if and so far as may be necessary to secure the Agency in the event of liquidation either voluntary or compulsory of the Company the Agency have prior charge and lien on the said Premium Reserve Fund and also upon any further money with which the Company may be entitled to be credited under the present Agreement and the Agency shall be secured creditors to that extent

16. IN event of any dispute at any time arising out of or in any way connected with or relating to this Agreement whether before or after the termination by notice under this Agreement the same shall be referred to the decision of two Arbitrators one to be appointed in writing by the Agency and the other by the Company or in case of disagreement between the Arbitrators to the decision of an Umpire to be appointed in writing by the Arbitrators before entering upon the reference and it shall be a condition precedent that unless and until an award has been made neither party shall have any right of action against the other

The said Arbitrators and Umpire shall be executive officers of ~~Marine~~ Insurance or ~~Marine~~ Reinsurance Companies and the seat of the Court of Arbitrators shall be in London

The Arbitrators and Umpire will not have to undergo any judicial formalities and may abstain from following the strict rules of Law

The costs of the Arbitrators and award shall be in the discretion of the Court of Arbitrators

Save as aforesaid the provision of the Arbitration Act 1950 shall apply

17. IN the event of war arising between the respective countries of the Agency and the Company this Agreement shall be thereby

immediately cancelled and the adjustment of accounts shall be delayed until the termination of hostilities

18. IN the event of war arising in which Great Britain is involved the Company undertakes not to cede directly or indirectly any part of the business effected under this Agreement to any persons or body of persons corporate or incorporate of whatever nationality resident or incorporated or whose chief place of business is in any enemy country

19. THIS Agreement may at any time be altered by mutual consent of the Agency and the Company ~~and such of the Participating Companies as are for the time being bound by similar agreements by an addendum signed by a responsible official of the parties~~ and such addendum shall be binding on the parties and be deemed to be an integral part of this Agreement

20. THIS Agreement shall be governed and construed by the laws of England *sub 2/12/50*

IN WITNESS whereof this Agreement has been signed by

M. E. RUTTY duly authorised on behalf of the Agency and by *S. Riven and W. Kelson* duly authorised on behalf of the Company the day and year first before written

THE FIRST SCHEDULE above referred to

Company	Initial fixed quota share
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<i>Agrippina Versicherungs Aktiengesellschaft</i>	25%
<i>Australian International Insurance Ltd</i>	20%
<i>British National Insurance Society Ltd</i>	20%
<i>Nationwide Mutual Insurance Company</i>	35%

THE SECOND SCHEDULE above referred to

Scope: World Wide but only underwritten in the Agency's office in London

100% Group Limit: £50,000 any one acceptance subject to Excess of Loss treaties remaining in force giving protection in Excess of £5,000 any one acceptance and £25,000 any one catastrophe

Exclusions of Business under this Agreement: Direct Motor Life Marine, Obligatory Participating Reinsurance Agreements. Guarantee Bonds Financial Guarantees

SIGNED by the said in the presence of:- }

B.E. DREW
10/11 LIME ST.
LONDON, E.C.3.



SIGNED by the said in the presence of:- }

Köln, den 5^{ten} of July 1962
W. Kuhn
VERSICHERUNGS-AKTIENGESELLSCHAFT
H. Rixen

Urk.R.Nr. 824 für 1962.

Hiermit beglaubige ich die vorstehenden Namensunterschriften von:-

1. Herrn Hans R i x e n , Direktor zu Köln,
2. Herrn Wilhelm K u h n , Prokurist zu Köln.

Gleichzeitig bescheinige ich auf Grund Einsichtnahme in das Handelsregister des Amtsgerichts Köln - HRB 701 - vom heutigen Tage, dass die vorgenannten Herren gemeinsam zur Vertretung

der "Agrippina Versicherungs-Aktiengesellschaft" in
Köln berechtigt und als solche im Handelsregister
eingetragen sind.

Köln, den 5. Juli 1962.

Der Notar:



DATED 1st July 1962

M. E. RUTTY UNDERWRITING
AGENCY

- and -

AGRIPPINA VERISICHERUNGS
AKTIENGESELLSCHAFT

U N D E R W R I T I N G
A G R E E M E N T

ADDENDUM NO. 2.

IT IS UNDERSTOOD AND AGREED that as on and from ~~the~~
~~that day of January~~ One thousand nine hundred and
 sixty three the following amendments to the within-written
 Agreement shall take effect:-

1. Add the following Definition at the end of Clause 1:-

"Net Premium" The gross premium adjusted to include
 all additional premiums returnable
 premiums, ~~reinsurance premiums~~,
 brokerage, commissions taxes and
 charges payable in respect of such
 gross premium _____

2. Delete Clause 3 and substitute new Clause as follows:-

"3. The Agency shall have an absolute discretion in
 deciding the appropriate Underwriting year or years in respect
 of which the Risk was so entered and adjustments shall be
 made to the accounts accordingly, save that when the Risk is
 apportioned between two or more years and/or between two or
 more Groups of Participating Companies the Agency shall have
 an absolute discretion in deciding the appropriate division
 of the premium claim or other matter as aforesaid between such
 years and between such Groups." _____

3. Delete Clause 5 and substitute new Clause as follows:-

"5. The Agency shall enter in a Register details of each
 Risk and/or Insurance effected under this Agreement and the
 amount of the Company's participation The books and
 documents of the Agency so far as they relate to matters
 falling under this Agreement shall be open at all reasonable
 times to the inspection of the Company by its duly authorised
 representative and the Company shall be entitled to take
 extracts therefrom of matters concerning the Company for its
 own private use." _____

4. Delete existing Clause 7 and substitute new Clause as
 follows:-

"7. All premiums payable in respect of Risks and Insurances effected under this Agreement shall be credited to the Participating Companies when the same become due and payable after deducting all allowances taxes and charges as agreed by the Company and likewise all losses commissions and other payments by the Agency relating to such Risks and Insurances shall be debited to the Participating Companies when the same become due and payable."

5. Delete Clause 8 and substitute new Clause as follows:-

"8. As soon as practicable after the close of the quarter ending 31st March 30th June 30th September and 31st December the Agency will forward an account current to the Company and payment of the Balance of such account shall be made by the Debtor to the creditor within thirty days after despatch of such accounts or so soon thereafter as payment is received by the Agency of any outstanding sums due from brokers or others In such quarterly accounts the Company will be debited with Eighty per centum (80%) of its fixed quota share of premiums receivable to be credited to the Premium Reserve Fund hereinafter mentioned and for such purpose premiums receivable shall be net premiums The Premium Reserve Fund will be applied first in meeting losses and if at any time the Premium Reserve Fund is insufficient for this purpose the Company shall remit to the Agency within fourteen days of notification by the Agency the amount of its share of such deficiency Subject as hereinafter provided any amount standing to the credit of the Premium Reserve Fund will be retained by the Agency for three years and the balance (if any) of sums so credited after making provision for all outstanding losses (both actual and contingent) will be accounted for the Company within six months after the expiration of the said period of three years"

6. Delete Clause 9 and substitute new Clause as follows:-

"9. The Agency shall be entitled at its absolute discretion to invest the whole or any part of the sums for the

time being standing to the credit of Premium Reserve Fund in any investments authorised by law for the investment of trust moneys or place the same on deposit with any bank discount house or Local Authority and to change such investments. Any income on such investments shall be paid to the Participating Companies in accordance with their shares and where any such income falls to be apportioned between two or more Underwriting Years the Agency shall have an absolute discretion in deciding the appropriate division of such income between such years. Any profits or losses on the realisation of such investments shall be credited or debited to Premium Reserve Fund and shall be allocated to such Underwriting year or years as the Agency may in its absolute discretion determine. The decision of the Agency as to the amount of the share of any Participating Company or Group of Participating Companies in any income or profit or loss on the realisation of any investments held by the Agency in respect of Premium Reserve Fund as aforesaid shall be final and binding on each Participating Company or Group of Participating Companies. As soon as practicable after the 31st December in each year the Agency will value or procure a valuation to be made of all investments in which the Premium Reserve Fund or any part thereof shall be invested as at such 31st day of December and there shall also be taken into account all purchases and sales of such investments and all profits less losses and expenses realised on the sale of such investments since the previous 31st December. Such valuation and the figures shown therein shall be final and binding on the Participating Companies. A Statement giving details of all investments held by the Agency on behalf of the Participating Companies will be forwarded by the Agency to the Participating Companies with the June and December accounts and the Companies' share of the income on such investments will be paid by the Agency to the Company within ninety days after the 31st December of each year.

The Agency shall be under no liability whatsoever for any losses incurred on such investments." _____

7. Delete Clause 13 and substitute new Clause as follows:- ⁶⁸

"13. The Company shall pay the Agency a commission of ^{12%} ~~5%~~ and ~~2%~~ Agency allowance on the Net Premiums ~~payable~~ under this Agreement. _____

The Company shall pay the Agency a commission of ^{12%} ~~12%~~ on the profits of each Underwriting year to be calculated after the end of 12 quarters as follows:-

Income

1. Net Premiums less expenses in connection with reinsurance for joint agency accounts
2. The Company's share of the gross income before deduction of tax that shall be derived from the Premium Reserve Fund and the amount of any appreciation in the value of the investments representing the same as calculated for the purposes of Clause 9 hereof. _____

Outgo

1. Commission on Net Premiums and Agency allowances
2. Claims paid less refunds and recoveries under reinsurance for joint agency account
3. Reserve for Outstanding Losses .
4. Three per centum (3%) of income in respect of Company's expenses
5. The amount of any depreciation in the value of the investments representing the Premium Reserve Fund calculated as aforesaid. _____

In the event of any alteration being made to the figures used in calculating the aforesaid commission on profits in any one Underwriting year the commission shall be adjusted subsequently in accordance with the revised figures." _____

8. Delete Clause 20 and add new Clauses 20 21 and 22 as follows:-

"20. The Company shall not later than five months after the end of each of its financial years deliver to the Agency for deposit with the Board of Trade a revenue account for the year a balance sheet and profit and loss account in the form prescribed in accordance with the Insurance Companies Act, 1958 or any modification or re-enactment thereof and such accounts shall be audited in manner prescribed under the said Act."

"21. The Agency shall be entitled to discharge out of moneys held for the Company any liability to tax in respect of profits of the Company assessable in the name of the Agency and the Agency shall also be entitled to retain out of moneys otherwise due to be paid to the Company hereunder such amount as the Agency may consider appropriate in order to pay or provide for payment of tax assessable in the name of the Agency on profits made by the Company hereunder."

"22. (1) This Agreement shall be governed and construed by the laws of England and the Company hereby accepts the jurisdiction of the English Courts and appoints Messrs. C. Merville Russell & Co., London as authorised on its behalf to accept service of any proceedings—

(ii) The Agency shall have power to appoint any Attorney or Attorneys together with any other advisers consultants or agents as may be necessary in any part of the world to accept service of any proceedings on behalf of the Company and in connection with any suit arbitration proceeding or other matter or thing to take all such steps as may in the opinion of the Agency be desirable or necessary."

SIGNED in London, England this 7th day of February 1963.

For and on behalf of
M. E. FITY UNDERWRITING AGENCY
LIMITED



.....
 Director

ADDENDUM NO. 1.

IT IS UNDERSTOOD AND AGREED that with effect from 1st January, 1964, the Companies and their proportions appearing in the First Schedule are amended as follows:-

Company	Initial fixed quota share
NATIONWIDE GENERAL INSURANCE COMPANY	30%
AGRIPPINA VERSICHERUNGS AKTIENGESELLSCHAFT	25%
BRITISH NATIONAL LIFE INSURANCE SOCIETY LTD.	15%
AUSTRALIAN & INTERNATIONAL INSURANCES LTD.	15%
WURTEMBERGISCHE FEURVERSICHERUNG AKTIENGESELLSCHAFT	15% "

IT is further understood and agreed that the 100% Group Limit contained in the Second Schedule is amended to read :-

" 100% Group Limit: £100,000 any one acceptance subject to Excess of Loss treaties remaining in force giving protection in Excess of £10,000 any one acceptance and £25,000 any one catastrophe "

SIGNED in London, England this *fourteenth* day of *September* 1964.

For and on behalf of M.S. HOVEY UNDERWRITING AGENCY LIMITED

[Signature]

 Director

SIGNED in Cologne, Germany this 22nd day of September 1964.

For and on behalf of AGRIPPINA VERSICHERUNGS AKTIENGESELLSCHAFT

Agrippina
 VERSICHERUNGS AKTIENGESELLSCHAFT
[Signature]

Dated SIXTH DAY OF JANUARY 1968.

M. E. RUTTY UNDERWRITING
AGENCY LIMITED (1)

and

AGRIPPINA VERSICHERUNGS
AKTIENGESELLSCHAFT (2)

A G R E E M E N T

A G R E E M E N T

WHEREAS, the M. E. RUTTY UNDERWRITING AGENCY, LIMITED of London, England, hereinafter known as the "RUTTY AGENCY", effective August 1, 1962, entered into separate, but identical, quota share underwriting contracts with NATION-WIDE GENERAL INSURANCE COMPANY of Columbus, Ohio; AGRIPPINA VERSICHERUNGS AKTIENGESELLSCHAFT of Cologne, Germany; BRITISH NATIONAL LIFE INSURANCE SOCIETY, LIMITED of London, England, and AUSTRALIAN AND INTERNATIONAL of Melbourne, Australia, hereinafter known as the "PARTICIPATING COMPANIES", and *signed to include AUTOMOBILE FIRE AND GENERAL INSURANCE CO. A.L.S. 1-1-64*

WHEREAS, the WURTTENBERGISCHE VERSICHERUNGS of Stuttgart, Germany, effective January 1, 1964 became one of the PARTICIPATING COMPANIES, and

WHEREAS, the RUTTY AGENCY was in the business of being an underwriting agency for the purpose of accepting all classes of Insurance and Reinsurance, subject to certain limitations in the underwriting contract, and

WHEREAS, each one of the PARTICIPATING COMPANIES bound itself to accept liability for its respective shares of each and every risk accepted on behalf of the PARTICIPATING COMPANIES by the RUTTY AGENCY, subject to certain monetary limitations as specified in the underwriting contract, and

WHEREAS, any one of the PARTICIPATING COMPANIES in the quota share underwriting contract may have its policy of insurance or contract of reinsurance issued on a particular risk, for which it would be entirely liable to the policyholder or reinsured if called upon to pay in the event of a loss, and

WHEREAS, a situation may arise where one of the PARTICIPATING COMPANIES may be called upon by a policyholder or reinsured to pay a loss under the policy of insurance or contract of reinsurance, but subsequently discovers that one or more of the PARTICIPATING COMPANIES cannot pay its proportionate share of the loss under the quota share underwriting contract due to insolvency, so

THEREFORE, in consideration of the mutual agreements of the parties and the exchange of these documents, each of the PARTICIPATING COMPANIES agree that in the event that any one of the PARTICIPATING COMPANIES, which is a signatory to this agreement, is insolvent and unable to pay its share in accordance with the provisions of the quota share underwriting contract, the remaining solvent PARTICIPATING COMPANIES will be liable for their proportionate share of the unpaid loss of the insolvent PARTICIPATING COMPANY, after all funds withheld by the RUTTI AGENCY in the name of the insolvent PARTICIPATING COMPANY have been exhausted.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed respectively by their proper officers:

Signed this 4th day of November, 1965 in Columbus, Ohio

Attest: Robin Natta NATIONWIDE GENERAL INSURANCE COMPANY
by: [Signature]
Vice President - Special Markets

Signed this 10th day of November, 1965 in Glogau, Germany

Attest: [Signature] AGRIPPINA VERSICHERUNGS AKTIENGESELLSCHAFT
by: [Signature] X

Signed this 9th day of November, 1965 in Tandem, England

Attest: [Signature] BRITISH NATIONAL LIFE INSURANCE SOCIETY, LIMITED
by: [Signature]

Signed this 28th day of February, 1966 in Melbourne, Australia

Attest: [Signature] AUSTRALIAN AND INTERNATIONAL
by: [Signature]

Signed this 26th day of November, 1965 in Stuttgart, Germany

Attest: [Signature] WURTEMBERGISCHE ^{Feurversicherung} ~~VERSICHERUNGS~~ AG.
in Stuttgart
by: [Signature]

Signed this 16th day of May, 1966 in Melbourne, Australia

for 1-1-1966
AUTOMOBILE FIRE & GENERAL INSURANCE COMPANY OF AUSTRALIA LIMITED

Attest: S. Robertson
by: [Signature]

THIS AGREEMENT is made this *sixth* day of *January* 1967
 BETWEEN M.E. RUTTY UNDERWRITING AGENCY LIMITED whose
 registered office is at 10-11 Lime Street London E.C.3.
 (hereinafter called "the Agency") of the one part and
 AGRIPPINA VERSICHERUNGS AKTIENGESELLSCHAFT a company
 incorporated under the laws of Germany having its
 principal office at 90 Riehler Strasse 5 Cologne 16
 Germany (hereinafter called "the Company") of the other
 part

WHEREAS the Agency carries on the business of an
 underwriting agency for the purposes of accepting all
 classes of Insurance and Reinsurance business and it has
 been agreed that with effect from 1st January 1966 it
 should enter into Agreements with the Company and with
 the other companies listed in the First Schedule hereto
 in the terms of this Agreement

NOW THIS AGREEMENT WITNESSETH and it is HEREBY
 AGREED AND DECLARED as follows :-

1. IN this Agreement unless the context otherwise
 requires the following words and phrases shall bear the
 meanings set opposite to them:-

"Risk" and "Insurance"	Any policies slips certificates and contracts covers of insurance or reinsurance indemnity or guarantees
"Underwriting year"	1st January to 31st December (inclusive) in any year
"Participating Companies"	The Companies listed in the First Schedule hereto
"Gross Premium"	The premium received by the Agency on behalf of all Participating Companies adjusted to include all additional premiums returnable premiums brokerage commissions taxes and charges payable in respect of such premiums

"Net Premium"	The Gross Premium less reinsurance premiums paid
"the First Agreement"	An Agreement (and the addenda thereto) dated _____ and made between the parties hereto.
"Proportionate Share"	The share set out against each of the Participating Companies in the First Schedule hereto
"the majority of the Participating Companies"	Participating Companies representing in the aggregate not less than fifty per cent. in value of the proportionate shares
"the Auditors"	Neville Russell & Co. Chartered Accountants or such other Auditors as a majority of the Participating Companies may agree

2.(a) SUBJECT to sub-clause (b) of this Clause the Company hereby authorises the Agency to underwrite in London any Risk located anywhere in the world on its behalf for an amount not exceeding the limit stated in the Second Schedule hereto and the Company binds itself to accept liability for its proportionate share of each Risk accepted on its behalf. The liability of the Company shall remain in force until the expiration of the term of the Insurance to which such Risk appertains.

(b) The Risks mentioned in the Second Schedule are excluded from this authorisation with the exception of those risks in force expiring not later than 31st December 1966. The Agency has taken notice that the Company is not anxious to become engaged to any great extent in the class of Risks mentioned in the Third Schedule hereto. Such Risks may be underwritten by the Agency if such underwriting is considered necessary in exceptional cases but the Agency agrees to do so with the utmost restraint.

(c) The Agency undertakes to meet or correspond with the Representatives of all Participating Companies before the end of each underwriting year to discuss possible alterations to the Second and Third Schedules.

3. THE Agency shall have an absolute discretion in deciding the appropriate underwriting year or years in respect of which the Risk was so entered and adjustments shall be made to the accounts accordingly save that when the Risk is apportioned between two or more years and/or between two or more groups of Participating Companies the Agency shall have an absolute discretion in deciding the appropriate division of the premium claim or other matter as aforesaid between such years and between such groups.

4. THE agency has effected and may hereafter effect certain reinsurances for the whole or part of any Risk and certain Treaties for the common account of the Participating Companies.

In the event of any proposed significant change in the re-insurance programme this shall first be approved by the Company before finalisation and advised thereafter by the Agency to all other Participating Companies. The overriding commission received on such reinsurances by the Agency will be proportionately credited to the Company

5. (a) THE Agency shall furnish the Company upon request with particulars of all Insurances effected under this Agreement and the Company will treat such information with the secrecy appropriate under the circumstances. The Agency shall enter in a Register details of each Risk and the amount of the Company's participation. The books accounting documents and records of the Agency so far as they relate to matters falling under this Agreement shall be open at all reasonable times to the inspection of the Company by its authorised representative

(b) The accounting documents and records of the Agency shall be audited annually by the Auditors

6. IT is mutually agreed that any inadvertent delays omissions or errors made in connection with any Insurance effected under this Agreement shall not be held to release either party hereto from any liability which would attach to them hereunder if such delays omissions or errors had not been made and it is further agreed that in all things coming within the scope of this Agreement the Company shall share to the extent of its interests the fortune of the Insurance. This being an Agreement between the parties hereto in a spirit of trust with one another the Company is bound in every case to follow the fortune of the Insurance and any error or omission which may arise in the execution of the terms of the present Agreement will not under any circumstances alter the spirit of it or nullify the responsibility accepted under it.

7. ALL premiums payable in respect of Insurances effected under this Agreement shall be credited to the Participating Companies after deducting all allowances taxes and charges as agreed by the Company and likewise all losses commissions and other payments by the Agency relating to such Insurances shall be debited to the Participating Companies

8. (a) THE Agency hereby undertakes to use its best endeavours to collect all amounts due to the Participating Companies under this Agreement

(b) It is mutually agreed between the parties hereto that any losses resulting from the failure of the Agency to collect such amounts due whether in respect of premiums or recoveries or reinsurance effected by the Agency pursuant to Clause 4 hereof or otherwise shall be borne by the Participating Companies to the extent of their respective proportionate shares provided that in the event of such losses being due to the negligence or default of the Agency such losses shall be borne by the Agency.

9. AS soon as practicable after the close of each quarter ending 31st March 30th June 30th September and 31st December the Agency shall forward an account current to the Company and payment of the balance of such account shall be made by the Debtor to the Creditor within thirty days after despatch of such accounts or so soon thereafter as payment is received by the Agency of any outstanding sums due from brokers or others. In such quarterly accounts the Company will be debited with Eighty per cent. (80) of its fixed quota share of premiums receivable to be credited to a Premium Reserve Fund in the books of the Agency and for such purpose premiums receivable shall be Net Premiums. The Premium Reserve Fund shall be applied first in meeting losses and if at any time the Premium Reserve Fund is insufficient for this purpose the Company shall remit to the Agency within fourteen days of notification by the Agency the amount of its proportionate share of such deficiency. Subject as hereinafter provided any amount standing to the credit of the Premium Reserve Fund will be retained by the Agency for three years and the balance (if any) of sums so credited after making provisions for all outstanding losses (both actual and contingent) will be accounted to the Company within six months after the expiration of the said period of three years.

10(a) SUBJECT to the retention of a working cash balance the Agency shall transfer all funds held by it on behalf of the Participating Companies (other than Nationwide General Insurance Company) to separate bank accounts in respect of Sterling U.S. Dollars and Canadian Dollars respectively. The signature to any documents relating to these bank accounts shall be either (i) the Agency and the Auditors signing together or (ii) all Participating Companies for the time being (other than Nationwide General Insurance Company) signing together.

(b) From these accounts the Agency shall be entitled at its absolute discretion to invest in the name of the bank's

nominee company and subject to the same conditions of signature as the previous sub-section any moneys standing to the credit of these bank accounts in any investments authorised by law for the investment of trust moneys or place the same on deposit subject to the same conditions of signature with any bank discount house or local authority and to change such investments. Any income less any tax thereon on such investments shall be paid to the Participating Companies in accordance with their proportionate shares and where any such income falls to be apportioned between two or more underwriting years the Agency shall have an absolute discretion in deciding the appropriate division of such income between such years. Any profits or losses on the realisation of such investments less any tax thereon shall be allocated to such underwriting year or years as the Agency may in its absolute discretion determine. The decision of the Agency as to the amount of the shares of any Participating Company or group of Participating Companies in any income or profit or loss on the realisation of any investments held by the Agency as aforesaid shall (subject to such decision having been agreed by the Auditor) be final and binding on each Participating Company or group of Participating Companies. As soon as practicable after the 31st December in each year the Agency will value or procure a valuation to be made of all investments as at such date and there shall also be taken into account all purchases and sales of such investments and all profits less losses and expenses realised on the sale of such investments since the previous 31st December. Such valuation and the figures shown therein shall (subject to the same having been certified by the Auditors) be final and binding on the Participating Companies. A Statement giving details of all investments held by the Agency on behalf of the Participating Companies shall be forwarded to the Participating Companies with the June

and December accounts and the Company's share of the income on such investments will be paid by the Agency to the Company within ninety days after the 31st December in each year. The Agency shall be under no liability whatsoever for any losses incurred on such investments.

11. IT is understood and agreed that the premiums payable under this Agreement in any currency other than Sterling U.S. Dollars and Canadian Dollars shall be accepted by the Company in Sterling at the rates of exchange which may from time to time be adopted as appropriate by the Agency and that amounts recoverable for losses shall hereafter be debited at the same rate of exchange as that employed at the time of the settlement of a claim by the Agency.

12.(a) THE First Agreement shall be deemed to have been superseded at the close of business on 31st December 1965 by this Agreement which shall accordingly become effective as on and from 1st January 1966 and shall take effect for all entries appearing in January 1966 and subsequent months. It shall remain in force until terminated by either party giving to the other not less than six months' notice in writing to expire on the 31st December in any year during the currency of this Agreement. The Agency on receiving notice from any Company of termination or reduction of its participation shall forthwith advise all the other Participating Companies of the Group.

(b) Should at any time either the Agency or the Company:-

- (i) commit any breach of the terms of this Agreement; or
- (ii) lose the whole or a substantial part of its paid-up capital; or
- (iii) become insolvent or suspend payment of its debts or enter into any arrangement with its creditors generally or cease or threaten to cease to carry on its business; or

- (iv) go into liquidation or have a Receiver appointed;
or
- (v) be acquired or become controlled by any
other Company or corporation

Then either party shall have the right to terminate this Agreement at any time by giving notice in writing to the other party and informing the other Participating Companies accordingly.

(c) The provisions of sub-clause (b) of this Clause shall operate in respect of any event affecting the Company the nature whereof shall be the same or substantially similar to one of the events specified in that sub-clause.

(d) The liabilities hereunder of the Company and the Agency shall continue in respect of each Insurance accepted by the Agency on behalf of the Company until the date of the termination thereof. Any acceptances by the Agency before such notice is given as aforesaid shall remain in force and the liabilities of the Company and the Agency thereunder shall continue until the expiration of such Insurance in the ordinary course of business.

(e) If such notice as aforesaid has been given by either party the Company may issue special underwriting instructions in respect of Insurances underwritten pursuant to this Agreement and the Agency undertakes to abide by such instructions for the remainder of the validity of this Agreement provided such instructions are supported by a majority of the other Participating Companies

13. THE Agency reserves the sole right to settle losses whether by way of compromise ex gratia payment or otherwise and all settlements shall be unconditionally binding on the Company. The Agency may contest any claim and institute any action it thinks fit in relation to a claim and the Company shall be liable for its proportionate share of the claim

and all costs and expenses incurred in connection therewith but the Company shall be entitled to its proportionate share of any salvages or recoveries relating to such claim.

14. (a) THE Company shall pay to the Agency (by deduction from premiums received) its share of commission payable by the Participating Companies in respect of each underwriting year according to the following scale:-

- 6 per cent. on the first £1,000,000 of Gross Premium
- 3 per cent. on the next £1,000,000 of Gross Premium
- 1.5 per cent. on any excess over £2,000,000 of Gross Premium

(b) The Agency shall bear all costs of maintaining an office and an efficient office organisation as well as all other expenses and outlays necessary to deal with the Company's business.

(c) In the event of a termination of this Agreement the Agency shall if the majority of the Participating Companies so desire be responsible for running off all Risks current at the date of termination and all claims in respect of Insurances effected pursuant to this Agreement or the First Agreement without further remuneration for the Agency's services.

15. (a) THE Company shall pay the Agency a provisional profit commission of 25 per cent. on the profits of each underwriting year to be calculated after the end of twelve quarters from the commencement of such underwriting year as follows:-

Income:-

(i) Net Premiums

(ii) The Company's proportionate share of gross interest or dividend (before deduction of any tax payable thereon) derived from the investment of moneys retained (less interest (before deduction of any tax payable thereon) paid to reinsurers on premiums reserves withheld) and the amount of any appreciation

AGR.32

- in the value of the investments representing the same (before deduction of any tax payable thereon) as calculated for the purposes of Clause 10 hereof
- (iii) Overriding commission received by the Company from reinsurers.

Less the following Outgoings:-

- (i) Commission payable under Clause 14 hereof
- (ii) Claims paid less refunds and recoveries under reinsurance
- (iii) Reserve for outstanding and unreported losses or reinsurance premium paid to reinsure all outstanding liabilities pursuant to Clause 16 hereof
- (iv) 3 per cent. of income as calculated above in respect of the Company's expenses
- (v) The amount of any depreciation in the value of the investment of moneys retained calculated as aforesaid (without allowance for any tax relief)
- (vi) Any losses borne by the Company as a result of the failure to collect amounts due in respect of premiums or recoveries of reinsurance effected pursuant to Clause 4 hereof or otherwise

In the event of any alteration being made to the figures used in calculating the aforesaid profit commission in any one underwriting year the commission shall be adjusted at the end of the third and sixth years following the end of the above mentioned period of twelve quarters in accordance with the revised figures. A further adjustment as aforesaid shall be made at the end of the ninth year following the above-mentioned period of twelve quarters in the event of substantial alteration being made in such figures.

(b) Any losses of underwriting years prior to 1966 will not be carried forward until an underwriting year has resulted in a profit. Should 1966 or subsequent underwriting years produce losses as calculated above such losses will be carried forward to the three subsequent underwriting years.

16. SUBJECT to the agreement of a majority of the Participating Companies the Agency may close any insurance year at any time after the expiration of three years from the commencement of such insurance year by effecting reinsurance of all liabilities for the time being outstanding attaching to that year of account

17.(a) IF for any reason the Agreement between the Agency and one or more of the Participating Companies is terminated then the proportionate share or shares of such company or companies shall be offered to the remaining Participating Companies PROVIDED ALWAYS that the Agency shall have the right to allocate such proportionate share or shares to new companies approved by the remaining Participating Companies. In the event of any part of the available proportionate share or shares still remaining unallocated the Agency shall be entitled to increase the reinsurances effected in order that the remaining Participating Companies' proportionate shares of the limit set out in Clause 2 hereof are not increased from that stated.

(b) In the event of any Participating Company not being able to fulfill the obligations under this Agreement the remaining Participating Companies are not bound under this Agreement or a corresponding Agreement to assume any liability accruing as a result of the failure of any other Participating Company except in the circumstances specified by Clause 18 hereof.

18.(a) It is understood and agreed that the Agency may at its discretion underwrite Risks in the name of the Company or of any other Participating Company for a share in any one Risk exceeding the proportionate share stated in Clause 2 hereof but not exceeding however 100 per cent. of the Groups Limit specified in the Second Schedule hereto PROVIDED ALWAYS that the Agency shall effect the necessary apportionment of premium only in respect of the Company's proportionate share in such Risks as stated in Clause 2 hereof

(b) In the circumstances specified in sub-clause (a) of this Clause where one of the Participating Companies may be called upon by a policy holder or re-assured to pay a loss under the policy of insurance or contract of insurance but subsequently discovery is made that one or more of the Participating Companies cannot pay their proportionate share of the loss under this contract due to insolvency the Company hereby agrees with the Agency and the other Participating Companies that it will be liable ^{to the fronting Company} for its proportionate share of the unpaid loss of the insolvent Participating Company or Companies after all funds retained by the Agency in the name of the insolvent Participating Company or Companies have been exhausted.

19.(a) ON the occurrence in respect of the Company of any of the events specified in Clauses 12(b) or 12(c) hereof no further payments under this Agreement or out of the Premium Reserve Fund shall be made by the Agency to the Company. All sums due or which may thereafter become due from the Agency to the Company shall be retained and held in trust for the purposes herein mentioned. Thereafter any sums payable by the Company to the Agency in respect of losses or returns of premiums or otherwise shall be debited against and paid out of the Premium Reserve Fund and the balance (if any) of such Fund shall not be paid over to the Company until all its liabilities under this Agreement shall have been ascertained and fulfilled. In the event of the Premium Reserve Fund proving insufficient to fulfil all such liabilities the amount remaining unfulfilled shall be paid by the Company to the Agency forthwith.

(b) It is hereby agreed (in addition to the above provisions and without limiting the same) that if and so far as may be necessary for the security of the Agency in the event of liquidation either voluntary or compulsory of the Company the Agency has a prior charge and lien on the said Premium Reserve Fund and also upon any further money with which the Company may be entitled to be credited under this Agreement

and the Agency shall be secured creditors to that extent.

20.(a) IN the event of any dispute arising at any time out of or in any way connected with or relating to this Agreement whether before or after the termination by notice under this Agreement the same shall be referred to the decision of two Arbitrators one to be appointed in writing by the Agency and the other by the Company or in case of disagreement between the Arbitrators to the decision of an Umpire to be appointed in writing by the Arbitrators.

(b) If either party refuses or neglects to nominate an Arbitrator within thirty (30) days after having been required to do so or should the two Arbitrators fail to appoint an Umpire within thirty (30) days any appointment so failing to be made shall be left to the choice of the Chairman for the time being of the British Insurance Association.

(c) Each party shall submit its case in writing to the Arbitrators within one month of the constitution of the Arbitration Tribunal which shall give its award in writing at the earliest convenient date. The Arbitrators and Umpire are not bound by any strict rules of law or procedure or evidence and they shall make their award with a view to effecting the general purpose of this Agreement in a reasonable manner rather than in accordance with a literal interpretation of the language. The decision of the Arbitrators shall be final and binding on both parties to this Agreement.

(d) The costs of the reference the award and the parties shall be at the discretion of the Arbitrators and/or Umpire who may direct to whom by whom and in what manner those costs or any part thereof shall be paid.

(e) The above mentioned Arbitration shall take place in London.

21.(a) IN the event of war arising between the respective countries of the Agency and the Company this Agreement shall

be thereby immediately cancelled and the adjustment of accounts shall be delayed until the termination of hostilities.

(b) In the event of war arising in which Great Britain is involved the Company undertakes not to cede directly or indirectly any part of the business effected under this Agreement to any persons or body of persons corporate or incorporate of whatever nationality resident or incorporated or whose chief place of business is in any enemy country.

22. THE Company shall not later than five months after the end of each of its financial years deliver to the Agency for deposit with the Board of Trade a revenue account for the year a balance sheet and a profit and loss account in the form prescribed in accordance with the Insurance Companies Act 1958 or any modification or re-enactment thereof and such accounts shall be audited in the manner prescribed under the said Act.

23. THE Agency shall be entitled to discharge out of moneys held for the Company any liability to United Kingdom tax in respect of profits of the Company including underwriting investment profits and investment income earned for the Company under this Agreement.

24. THE Agency shall have power to appoint any Attorney or Attorneys together with any other advisors consultants or agents as may be necessary in any part of the world to accept service of any proceedings on behalf of the Company and in connection with any suit arbitration proceeding or other matter or affair to take all such steps as may in the opinion of the Agency be desirable or necessary.

25.(a) It is hereby agreed that other Agency Agreements with Participating Companies will be in the terms of this Agreement and that no Participating Company will be granted special conditions that have not been granted to all other Participating Companies. Should any special requirement be imposed on any Participating Company by local laws or by government or other supervisory authorities different

administrative procedures may be granted to such company. However the other Participating Companies must be informed of any such separate arrangements. The Company undertakes closely to co-operate with the remaining Participating Companies in the framework of the business of the Agency and to inform the remaining Participating Companies as early as possible of any changes it contemplates with regard to this Agreement.

(b) No further company shall be included in the list of Participating Companies set out in the Second Schedule unless each of the Participating Companies shall have previously agreed to (i) its being included (ii) its proposed share of each Risk accepted by the Agency and (iii) the consequential adjustments to the proportionate shares of the Participating Companies as at the date hereof

26. IT is hereby agreed that in any matters of common interest to all Participating Companies within the terms of this Agreement the Agency may consult with the Company and the Agency will follow the recommendations of the Company wherever possible. In the event of any disagreement arising as a result of these consultations reference will then be made to the other Participating Companies.

27. THIS Agreement shall be subject to English Law.

IN WITNESS whereof this Agreement has been entered into the day and year first above written

FIRST SCHEDULE

1.	Agrippina Versicherungs Aktiengesellschaft 90 Riehler Strasse 5 Cologne 16 Germany	22.5 per cent.
2.	Australian and International Insurances Limited 26-32 King Street Melbourne Victoria Australia	15.0 per cent.
3.	Automobile Fire and General Insurance Company of Australia Limited 277-287 William Street Melbourne Victoria Australia	10.0 per cent.
4.	British National Life Insurance Society Limited Spencer House 4 South Place London E.C.2	25.0 per cent.
5.	Nationwide General Insurance Company 246 North High Street, Columbus 16 Ohio U.S.A.	12.5 per cent.
6.	Württembergische Feuerversicherungs AG. 7 Stuttgart Postfach 60 Johannesstrasse 1-7 Germany	15.0 per cent.
		<u>100.0 per cent.</u>

SECOND SCHEDULE

1. 100 per cent. Group Limit: £100,000 Any one acceptance subject to excess of Loss Treaties remaining in force giving protection as agreed separately

2. Exclusions of Business under this Agreement:

Direct Motor Business

Life Business

Direct Marine Business

Obligatory Participating Reinsurance Treaties

Guarantee Bonds

Financial Guarantees

Stop Loss Reinsurance Treaties

Loss Excess Treaties covering loss Excess Portfolios of Reinsurers

Risks covering exclusively the Earthquake hazard

Third Party Liability Risks covering malpractice.

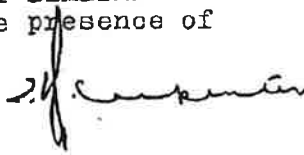
THIRD SCHEDULE

Undesirable Risks under this Agreement.

French and Belgian Motor Loss Excess Treaties
Product liability business with low priorities
Professional Liability Risks located outside England
Direct Fire Business from the United States of America
Policies covering the Risk of Windstorm and extended
coverage alone without including the Fire Risk

SIGNED by

For and on behalf of
M.E. RUTTY UNDERWRITING
AGENCY LIMITED
in the presence of



For and on behalf of
M.E. RUTTY UNDERWRITING
AGENCY LIMITED



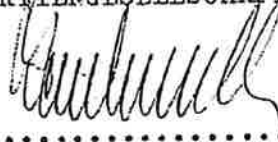
.....
Director

SIGNED by

For and on behalf of
AGRIPPINA VERSICHERUNGS
AKTIENGESELLSCHAFT
in the presence of



For and on behalf of
AGRIPPINA VERSICHERUNGS
AKTIENGESELLSCHAFT



.....
Duly authorised officer

Mikrofilm des Bundesarchivs, Bismarckstr. 1, D-10117 Berlin

ADDENDUM NO.1

IT IS UNDERSTOOD AND AGREED that with effect from the 1ST JANUARY, 1967 the Companies and their proportions appearing in the First Schedule are amended as follows:-

AGRIPPINA VERSICHERUNGS AKTIENGESELLSCHAFT	28.12%
AUTOMOBILE FIRE & GENERAL INSURANCE COMPANY OF AUSTRALIA LIMITED.	21.88%
BRITISH NATIONAL LIFE INSURANCE SOCIETY LTD.	31.25%
WURTEMBERGISCHE FEUERVERSICHERUNG AKTIENGESELLSCHAFT	18.75%
	<hr/>
	100.00%
	<hr/>

IT IS FURTHER UNDERSTOOD that the Group Limit contained in the Second Schedule is amended to read as follows:-

1.	100% Group Limits	£80,000	Any one acceptance subject to excess of Loss Treaties remaining in force giving protection as agreed separately.
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IT IS FURTHER UNDERSTOOD AND AGREED that Clause 14, paragraph (a) is amended to read as follows:-

14.(a) THE Company shall pay to the Agency (by deduction from premiums received) its share of commission payable by the Participating Companies in respect of each underwriting year according to the following scale:-

6%	on the first £800,000 of Gross Premium
3%	on the next £800,000 of Gross Premium
1.5%	on any excess over £1,600,000 of Gross Premium

ADDENDUM NO. 2.

IT IS UNDERSTOOD AND AGREED that with effect from the 8TH MAY, 1967 the list of Exclusions shown in the Second Schedule are cancelled and replaced as follows:-

2. Exclusions of Business under this Agreement:

- Direct Motor Business
- Life Business
- Direct Marine Business
- Obligatory Participating Reinsurance Treaties
- Guarantee Bonds
- Financial Guarantees
- Stop Loss Reinsurance Treaties including Aggregate Excess Loss
- Loss Excess Treaties covering loss Excess Portfolios of Reinsurers
- Risks covering exclusively the Earthquake Hazard
- Third Party Liability Risks covering Malpractice including Excess Layers
- Motor Excess Loss Business from the Continent of Europe other than the United Kingdom.
- Professional Indemnity Business anywhere in the World other than the United Kingdom, U.S.A. and Australia (Maximum participation of 50% any one acceptance and to follow the lead of a Lloyd's Underwriter)
- Aviation Hull & Liability Business
- Fire Business emanating from Belgium, Austria and Canada
- German Business
- Accident Business limited to a maximum participation of 50% any one acceptance.

SIGNED in London, England this *26th* day of *July* 1967.
 For and on behalf of W. E. RUTTY UNDERWRITING AGENCY LIMITED

SIGNED in the presence of

 Duly authorised officer.

SIGNED in Cologne, Germany this *26th* day of *July* 1967.
 For and on behalf of AGRIPPINA VERSICHERUNGS AKTIENGESELLSCHAFT.

SIGNED in the presence of

 Duly authorised officer.