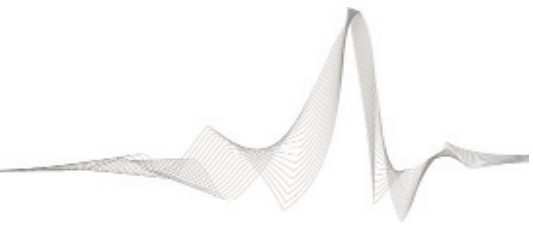


Press Release



Reliance National Insurance Company (Europe) Limited Solvent Scheme becomes effective

Following an order of the English High Court dated, 20 October 2006, the solvent scheme of arrangement between the Reliance National Insurance Company (Europe) Ltd (RNICE) and its Scheme Creditors has become effective.

Richard Whatton, Chairman of RNICE said "We are very pleased to have had our solvent scheme of arrangement sanctioned unopposed. This is a tribute to the hard work and dedication of all our staff and advisers. Our staff developed and then followed a detailed business plan to put RNICE through a complex scheme of arrangement. I would also like to thank all our advisers, KPMG, Freshfields and Tillinghurst who have worked with enthusiasm, innovation and perseverance. In particular thanks must go to Tony McMahon who Chaired the creditors meeting."

Commenting on the Court's decision, Neil Golding, head of Freshfields' Insurance Solutions team said: "The process of promoting a solvent scheme is much less straightforward today than when Reliance began this process three years ago. Those promoting schemes have to be very creditor focussed from an early stage, in order to ensure a successful outcome for creditors and the company."

John Wardrop of KPMG LLP, Scheme Adviser to RNICE, commented "Sanction for the RNICE scheme shows that the Court recognises that, in the correct circumstances, solvent schemes are an appropriate tool for the orderly wind down and closure of discontinued books of business."

Scheme Creditors are invited to submit completed Claim Forms to the Scheme Manager on or before 5pm British Summer Time on the Claims Submission Date - 21 May 2007. Blank Claim Forms can be obtained from the Scheme Manager or downloaded from <http://whittingtoninsurance.com/publicity/schemes.php>, from where other important information may also be obtained

Completed Claim Forms should be sent to the Scheme Manager, Reliance National Insurance Company (Europe) Limited, 33 Creechurch Lane, London EC3A 5EB, UK. Further information can also be obtained by calling the dedicated helpline on 0800 RELIANCE / 0800 73542623 in the UK or +44 207 220 1881 otherwise.

23rd October 2006

